



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

**1**

**AGENDA REPORT**  
 Consent | Action

April 8, 2019

**TO:** Commissioners  
**FROM:** Tameron Lockett, Executive Assistant  
**SUBJECT:** **Approval of Meeting Minutes | Monday, March 4, 2019**

**SUMMARY**

The San Diego Local Agency Formation Commission (LAFCO) will receive minutes prepared for the last regular meeting held on Monday, March 4, 2019. The minutes are in draft-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 established standards for the public to attend and participate in meetings of local government bodies. The “Brown Act” requires – and among other items – public agencies to maintain written minutes for qualifying meetings.

**DISCUSSION**

This item is for San Diego LAFCO to consider approving summary minutes for the March 4, 2019 regular meeting. The attendance record for the meeting follows.

- All members were present on March 4<sup>th</sup> with the exception of Bill Wells, Chris Cate (alternate), Greg Cox (alternate), and Serge Dedina (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>Catherine Blakespear</b> City of Encinitas	<b>Mark Kersey</b> City of San Diego	<b>Chair Jo MacKenzie</b> Visita Irrigation	<b>Andy Vanderlaan</b> General Public
	<b>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>Vice Chair Ed Sprague</b> Olivenhain Municipal Water	<b>Harry Mathis, Alternate</b> General Public
	<b>Greg Cox, Alternate</b> County of San Diego	<b>Serge Dedina, Alternate</b> City of Imperial Beach		<b>Judy Hanson, Alternate</b> Leucadia Wastewater	

**ANALYSIS**

The attached summary minutes for the March 4, 2019 regular meeting accurately reflect San Diego LAFCO’s actions as recorded by staff. An audio recording of the meeting has also been posted on the Commission’s website.

**RECOMMENDATION**

It is recommended San Diego LAFCO approve the draft minutes prepared for the March 4, 2019 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 through a single motion:

Alternative One (recommended):

Approve the draft minutes prepared for the March 4, 2019 regular meeting with any desired corrections or clarifications.

Alternative Two:

Continue 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,



Tamaron Luckett  
Executive Assistant

Attachment:

- 1) Draft Meeting Minutes for March 4, 2019

**DRAFT MINUTES  
SAN DIEGO LAFCO  
March 4, 2019 REGULAR MEETING**

**CALL TO ORDER**

There being a quorum present, the meeting was convened at 9:00 a.m. by Chair MacKenzie.

**ROLL CALL**

The Commission Clerk performed the roll call for the March 4, 2019 meeting. Roll was recorded as follows:

Regulars Present: Catherine Blakespear, City of Encinitas  
Jim Desmond, County of San Diego  
Dianne Jacob, County of San Diego  
Mark Kersey, City of San Diego  
Jo MacKenzie, Vista Irrigation District (CHAIR)  
Ed Sprague, Olivenhain Municipal Water District (VICE CHAIR)  
Andy Vanderlaan, Public

Alternates Present: Judy Hanson, Leucadia Wastewater District  
Harry Mathis, Public

Members Absent: Chris Cate, City of San Diego – Alternate  
Greg Cox, County of San Diego – Alternate  
Serge Dedina, City of Imperial Beach – Alternate  
Bill Wells, City of El Cajon – Regular

The following staff members were also present at the dais during roll call: Executive Officer Keene Simonds; Commission Counsel Holly Whatley; Chief Policy Analyst Robert Barry; Local Government Analyst I Linda Zambito; Local Government Analyst I Alex Vidal; and Executive Assistant Tamaron Lockett.

**PLEDGE OF ALLEGIANCE**

Commissioner Jacob led the Commission in the Pledge of Allegiance.

**AGENDA REVIEW**

Chair MacKenzie asked the Executive Officer if there were requests to remove or rearrange items on the agenda. Executive Officer noted no agenda revisions were needed. Chair MacKenzie announced the Commission would proceed with the agenda as presented.

## **PUBLIC COMMENT**

Chair MacKenzie asked the public seated in the audience if anyone would like to address the Commission on an item that is not related to the agenda.

The following speaker addressed the Commission:

- North County Fire Protection District Fire Chief Stephen Abbott addressed the Commission regarding ACA-1 (Assembly Constitutional Amendment).

Seeing no others approach the dais Chair MacKenzie ended the public comment period.

## **CONSENT ITEMS**

### **Item 1**

#### **Approval of Meeting Minutes | February 4, 2019**

Item presented on the consent calendar for action. Item involves draft minutes prepared for the Commission's February 4, 2019 meeting. Recommendation to approve.

### **Item 2**

#### **Commission Ratification | Recorded Payments for January 2019**

Item presented on the consent calendar for action. Item involves ratification of recorded financial payments received and distributed for January 1<sup>st</sup> through January 31<sup>st</sup>. Payments totaled \$139,805. Recommendation to approve.

### **Item 3**

#### **Proposed Nordahl Road-Diaz Change of Organization | Annexation to the Vallecitos Water District**

Item presented on the consent calendar for action. Item involves a proposal by Vallecitos Water District requesting the annexation of 3.80-acres of unincorporated territory consisting of a single parcel within its sphere of influence. Proposal purpose is to facilitate the development of a 15-lot single-family residential subdivision. Recommendation to approve with modification to add 0.62 acres of adjacent public right-of-way as well as apply standard terms. The subject parcel is identified by the County Assessor as 226-290-01.

### **Item 4**

#### **Proposed Menchaca-St. Paul Drive Change of Organization | Annexation to the Vallecitos Water District**

Item presented on the consent calendar for action. Item involves a proposal by the Vallecitos Water District requesting the annexation of 1.59-acres of unincorporated territory consisting of a single parcel within its sphere of influence. Proposal purpose is to facilitate the removal of an aging septic system and extension of public wastewater therein to support an existing single-family residence. Recommendation to approve with modification to add 0.02 acres of adjacent public right-of-way as well as apply standard terms. The subject parcel is identified by the County Assessor as 228-130-31.

## CONSENT ITEMS CONTINUED...

### Item 5

#### **Progress Report on 2018-2019 Workplan**

Item presented on the consent calendar for action. Item involves an update on the specific projects established as part of the adopted workplan for 2018-2019 with a recommendation for the Commission to receive and file.

### Item 6

#### **Annual Report |**

#### **Sphere of Influence and Municipal Service Review Summary of Actions**

Item presented on the consent calendar for action. Item involves an update on the sphere of influence and municipal service review actions in San Diego County through 2018 with a recommendation for the Commission to receive and file.

### Item 7

#### **Current Proposals and Related Activities**

Item presented on the consent calendar for information. Item summarizes active and pending proposals on file with the Commission.

### Item 8

#### **Legislative Report |**

#### **Items of Interest Proceeding into the New Legislative Session**

Item presented on the consent calendar for information. Item summarizes a review of legislative interests for 2019-2020 and includes a rewrite of protest proceedings.

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Commissioner Desmond motioned to approve the consent calendar as recommended by staff in the associated agenda reports with a second from Commissioner Kersey.

Roll call requested and the Commission Secretary recorded the following votes:

AYES: Blakespear, Desmond, Jacob, Kersey, MacKenzie, Sprague, and Vanderlaan  
NOES: None  
ABSENT: Cate, Cox, Dedina, and Wells  
ABSTAIN: None

The Secretary confirmed the motion was approved 7-0.

## PUBLIC HEARING ITEMS

None

## **BUSINESS ITEMS**

### **Item 9**

#### **First Reading | 4**

##### **Proposed Update to the Fund Balance Policy**

Item presented on the business calendar for action. The Executive Officer provided a presentation on the item as part of a first-reading and ahead of initiating a formal public comment period. The Executive Officer noted the underlying aim of the update as presented is to add discretionary standards to the existing policy and highlighted by establishing a minimum reserve level of unassigned monies equal to four months of the budgeted expenses. Other amendments also summarized and a handout was provided showing the effect of the proposed amendments on the projected year-end fund balance going into 2019-2020.

Chair MacKenzie asked the Commission if there were any questions for staff.

Commissioner Sprague suggested it would be appropriate to expand the policy update to also establish a maximum reserve level. Commissioner Sprague also commented it would be prudent to pair this process with developing an investment policy.

Commissioner Jacob commented the proposed minimum reserve threshold of four months appears reasonable and noted the importance to maintain cash flow in the beginning of the fiscal year while agency contributions are being collected. Commissioner Jacob also commented it would be prudent to maintain additional reserves as commitments to ensure monies are available to accommodate fee waivers for projects that merit coming forward.

Commissioner Blakespear stated she supports the proposed amendments and added it was important for LAFCO to make sure it has reserves available for potential litigation.

Commissioner Desmond commented he supports the proposed minimum reserve level of four months as well as establishing the proposed replenishment procedures. Commissioner Desmond also expressed support for establishing a maximum level of reserves and formalizing procedures to credit excess monies back to the agencies. Commissioner Desmond added it would be prudent for LAFCO to consider contingencies to protect against downturns in the economy as well as proactively plan for capital needs.

Chair MacKenzie agreed with the earlier comments made by Commissioners.

Citing comments from others Commissioner Sprague suggested staff revisit the proposed update and incorporate options on a maximum reserve threshold along with an investment policy and return to the Commission before initiating the public review.

Commissioner Desmond agreed and added staff consider a rate stabilization option.

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

Commissioner Vanderlaan asked if the proposed \$125,000 in assigned funds for the Executive Officer to set aside for legal and fee waivers is sufficient. The Executive Officer responded the amount matches the existing procurement allowance and intended to ensure immediate funds are available to address litigation and fee waiver activities with the qualifier the Commission can increase as needed but it would require a formal check in on the dais.

Chair MacKenzie agreed with others it would be appropriate for staff to incorporate the suggested changes and allow the Commission to see the updated version before proceeding with a public comment period.

With no further discussion or comments from the Commission, Chair MacKenzie asked if there were any audience members wanting to speak on this item. None approached the podium.

No action taken – feedback provided by the Commission.

### **Item 10**

#### **First Reading |**

#### **Proposed Update to the Preservation of Open-Space and Agricultural Lands Policy**

Item presented on the business calendar for action. Analyst Alex Vidal provided a presentation on the item as part of a first-reading and ahead of initiating a formal public comment period. Mr. Vidal summarized the intentions of the update is to strengthen the existing policy with a focus on avoidance and minimization tools and draws on best practices published in a recent CALAFCO white paper on agricultural preservation. Mr. Vidal reviewed the specific amendments suggested and welcomed feedback from the Commission.

Chair MacKenzie asked the Commission if there were any questions for staff.

Commissioner Jacob commented the proposed update and specifically the suggested change to make reference to accommodating housing for all incomes as appropriate exceptions to converting agricultural resources is contradictory and misplaced. Commissioner Jacob added she would suggest scaling back the proposed amendments and strike the reference to accommodating housing as a justified reason to convert agricultural and open space lands. Commissioner Jacob added it would be appropriate for the policy to consistency consider all agricultural lands and not just prime agriculture.

Commissioner Desmond noted several concerns with the proposed update and agreed with Commissioner Jacob that it needed to be scaled back along with defining key terms. Commissioner Desmond added the proposed update causes concern because it could create new and unnecessary hardships on landowners to be able to develop their properties. Commissioner Desmond also added the data included in the agenda report informing the proposed update was dependent on information from the State and it would be appropriate for staff to consult with the San Diego County Farm Bureau.

Commissioner Kersey agreed with the comments provided by Commissioners Jacob and Desmond that the policy update be reworked to address concerns.

Commissioner Vanderlaan asked if there was any interaction with the local agencies and specifically the County and cities as the land use authorities in the development of the proposed update. Mr. Vidal responded no and it was staff's intention to first check-in with the Commission before doing any outreach. Commissioner Vanderlaan responded that it would be prudent for staff to proceed now with some staff-to-staff discussions now that input has been provided by the Commission.

Commissioner Sprague commented that he appreciated staff's efforts on the proposed update and added this was part of the adopted workplan.

Chair MacKenzie added the CALAFCO white paper published last year initiated the interest by the Commission to add the update to the workplan with the understanding this may take some time to get through to make work for this LAFCO.

Chair MacKenzie invited any members of the audience to address the Commission on this topic. Comments were received by the following individuals.

- Chief Stephen Abbott with North County Fire Protection District.
- Director Scott Murray with Mission Resource Conservation District.

With no other comments, Chair MacKenzie asked the Executive Officer about next steps. The Executive Officer responded that per the collective feedback of the Commission staff would revisit the update and scale-back as requested with the goal of returning for another check-in as early as the April meeting.

No action taken – feedback provided by the Commission.

#### **Item 11**

##### **Report from CALAFCO Board Retreat**

Item presented on the business calendar for information only with a brief verbal report provided by Chair MacKenzie on her attendance at the CALAFCO Board retreat held in Irvine on February 28<sup>th</sup> – March 1<sup>st</sup>. Chair MacKenzie discussed CALAFCO's structural deficient and increasing membership fees for LAFCOs.

#### **CLOSED SESSION**

Chair MacKenzie noted that Items 12 and 13 were to be heard in closed session. Closed session adjourned at 10:25 a.m.



**CLOSED SESSION CONTINUED...**

**Item 12**

**Conference with Legal Counsel – Existing Litigation:**

Pursuant to Government Code Section 54956.9(d)(1): Southcott et al. v. Julian-Cuyamaca Fire Protection District, et al., San Diego Superior Court Case No. 37-2018-0023393-CU-WM-CTL; Fourth District Court of Appeal Case No. D074324

**Item 13**

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

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

The Commission reconvened into open session at 10:38 a.m. Commission Counsel Holley Whatley stated no reportable actions were taken in closed session.

**EXECUTIVE OFFICER REPORT**

- The Executive Officer noted USB memory sticks have been handed out to the Commission and include key materials for their reference, including the most recent version of the Cortese-Knox-Hertzberg Act and the Policy Guide. It was also noted Analyst Linda Zambito has been taking pictures at the meeting and will do so again in April as staff prepares to launch the new website by the end of the fiscal year.

**COMMISSION ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS**

None

**ADJOURNMENT TO NEXT REGULAR MEETING**

There being no further business to come before the Commission, the meeting was adjourned by Chair MacKenzie at 10:35 a.m. until March 4, 2019.

ATTEST,

Tamaron Lockett  
Executive Assistant

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