



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

7b

AGENDA REPORT
 Public Hearing

October 7, 2019

TO: Commissioners

FROM: Keene Simonds, Executive Officer
 Alex Vidal, Analyst I

**SUBJECT: Final Report and Related Actions |
 Municipal Service Review on the Escondido Region: Part One**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a final report prepared as part of the Commission’s scheduled municipal service review on the Escondido region. The final report represents the first of a two-part municipal service review and is specific to addressing public services provided by the Deer Springs Fire Protection District (FPD) and Rincon del Diablo Municipal Water District (MWD). The final report returns with limited revisions from its earlier draft presentation in August and subsequent public review. Staff recommends the Commission formally accept the final report along with adopting a resolution making determinations on all of the factors required under statute as part of the municipal service review directive. The report will inform future sphere of influence updates.

BACKGROUND

Municipal Service Reviews

State law directs San Diego LAFCO to regularly prepare municipal service reviews in conjunction with updating each local agency’s sphere of influence. The legislative intent of the municipal service review and its five-year cycle requirement is to proactively inform the Commission and the general public therein with regard to the availability and sufficiency of

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governmental services relative to current and future community needs. Municipal service reviews statutorily inform required sphere of influence updates and may also lead the Commission to take other actions under its authority, such as forming, consolidating, or dissolving one or more special districts.

Current Workplan |

Municipal Service Review on the Escondido Region: Part One and Part Two

San Diego LAFCO's current workplan was adopted at a noticed hearing held on April 3, 2019 and outlines specific project goals for the fiscal year. This includes preparing a municipal service review on the Escondido region and the three local agencies – Deer Springs FPD, Rincon del Diablo MWD, and the City of Escondido – under Commission oversight that provide one or more public services in the approximate 100 square mile area. The municipal service review represents the first detailed report prepared by the Commission on the region since the early 2000s and has been divided into two distinct phases. “Part One” is specific to providing an independent assessment of the public services provided by Deer Springs FPD and Rincon del Diablo MWD. “Part Two” is specific to assessing the City of Escondido and is being separately prepared by the City as part of an earlier arrangement and will include additional focus on an anticipated reorganization proposal involving the Harvest Hills (Safari Highlands) development. Both phases will come under one cover once completed.

Draft Report and Public Review

Staff presented a draft municipal service review on Part One of the Escondido region and specific to Deer Springs FPD and Rincon del Diablo MWD for discussion at San Diego LAFCO's August 5, 2019 meeting. The presentation included an overview by staff on key conclusions and recommendations reflected in the draft and immediately preceded the initiation of a 45-day public review and comment period through September 20, 2019. Two written comments on the draft were provided by the City of Escondido and detail support for two recommendations for the Commission to separately prepare a governance study and determine wastewater responsibilities in the Harmony Grove area.¹ A written comment on the draft was also provided by Rincon del Diablo MWD and – among other items – states adoption of the final determinations made in Part One should be deferred to the completion of Part Two. Copies of these written comments are attached.²

DISCUSSION

This item is for San Diego LAFCO to complete its scheduled municipal service review on Part One of the Escondido region. This includes accepting a final report prepared by staff and highlighted by an Executive Summary outlining key conclusions, recommendations, and related determinations relative to the Commission's growth management duties and interests. This also includes adopting a resolution memorializing the municipal service review

¹ The recommendation for the Commission to prepare a governance study is specific to addressing the overlapping boundaries and services of the City of Escondido and Rincon del Diablo MWD and provided as Recommendation No. 7 in the final report. The recommendation for the Commission to determine wastewater service responsibilities in the Harmony Grove area is specific to City of Escondido and Rincon del Diablo MWD and is provided as Recommendation No. 6 in the final report.

² No other written comments on the draft were received.

and approving abbreviated determinations drawn from the final report and addressing all of the factors required for consideration under statute.

ANALYSIS

The final municipal service review on Part One of the Escondido region before San Diego LAFCO remains generally intact and retains all key conclusions and recommendations presented in the draft and outlined in the Executive Summary (Chapter Two). A relatively small number of revisions – nonetheless – have been made and these include four substantive changes to the Executive Summary. These four substantive changes are summarized below in their sequential order in the final report.

- Recommendation No. 10 in the Executive Officer has been added to orient the Commission to consider automatic aid agreements and the delivery of actual services in helping to inform potential changes to the Deer Springs FPD sphere of influence. This recommendation follows additional discussion with Deer Springs FPD.
- Determination No. 5.5(3) has been revised to provide additional prescription in recommending Deer Springs FPD explore opportunities to evolve its relationship with the County of San Diego consistent with the Commission’s policy objective to facilitate the orderly expansion of the County Fire Authority. This revision follows additional discussion with Deer Springs FPD.
- Determination No. 5.6(3) has been revised in recommending the Commission prepare a future governance study in the region specific to addressing the overlapping boundaries and services of the City of Escondido and Rincon del Diablo MWD to no longer reference the option of creating a subsidiary district. This revision follows comments from the Commission and eliminates the unintended inference that the creation of a subsidiary district or any other specific option is preferred at this time.
- Determination No. 5.6(6) has been added and details the benefit to the Commission to consider automatic aid agreements and actual service provision in step with performing a subsequent sphere of influence update for Deer Springs FPD. This addition produces Recommendation No. 10 as described above.

The remainder of the final report incorporates a limited number of technical corrections or grammatical changes and are not considered substantive.

Last, and as noted in the preceding section, Rincon del Diablo MWD has commented they believe the Commission should not proceed with the adoption of any final determinations until the completion of Part Two and the municipal service review specific to the City of Escondido. Staff respectfully disagrees given Part One has been purposefully prepared as a stand-alone document to fulfill the Commission’s task to independently assess the availability and sufficiency of municipal services provided by Rincon del Diablo MWD and Deer Springs FPD. Staff does agree – however and has planned accordingly – to defer all subsequent

actions in the region study to the completion of Part Two and the reconciliation of both documents under one cover. This includes deferring all sphere updates and a recommended governance study should they be added to the current or future workplan by the Commission.

RECOMMENDATION

It is recommended San Diego LAFCO proceed to formally accept the final municipal service review on the Part One of the Escondido region and adopt a resolution approving related and abbreviated determinations addressing all factors required under statute. This recommendation is consistent with Alternative One as outlined in the succeeding section and would complete the first phase of this municipal service review under the adopted workplan.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO and can be accomplished through a single-approved motion.

Alternative One (recommended):

- a) Accept the final report provided as Attachment One representing the scheduled municipal service review on Part One of the Escondido region.
- b) Adopt the attached resolution provided as Attachment Two making the requisite determinations as required under statute as part of the scheduled municipal service review on Part One of the Escondido region.

Alternative Two:

Continue the item and request additional information from staff as needed.

Alternative Three:

Take no action.

PROCEDURES FOR CONSIDERATION

This item has been placed on the agenda for action as part of a noticed public hearing. The following procedures, accordingly, are suggested in the Commission's consideration.

- 1) Receive verbal presentation from staff unless waived;
- 2) Open the hearing and invite audience comments; and
- 3) Close the hearing, discuss item, and consider action on recommendation.

On behalf of the Executive Officer,



Alex Vidal
Analyst I

Attachments:

- 1) Final Report | MSR on the Escondido Region: Part One
- 2) Resolution Making Determinations
- 3) Written Comments on the Draft Report
- Letter from the City of Escondido, dated August 16, 2019
- Letter from the City of Escondido, dated September 20, 2019
- Letter from Rincon del Diablo MWD, dated September 25, 2019