

**APPROVED MINUTES
SAN DIEGO LAFCO
August 5, 2019 REGULAR MEETING**

1. CALL TO ORDER | ROLL CALL

The meeting was called to order at 9:00 a.m. by Chair MacKenzie in the County of San Diego Administration Center, 1600 Pacific Highway, Room 302, San Diego.

The Commission Clerk performed the roll call with the following attendance recorded.

Regulars Present: Jim Desmond, County of San Diego
Dianne Jacob, County of San Diego (VICE CHAIR)
Jo MacKenzie, Vista Irrigation District (CHAIR)
Mark Kersey, City of San Diego
Mary Casillas Salas, City of Chula Vista
Andy Vanderlaan, Public
Bill Wells, City of El Cajon
Barry Willis, Alpine Fire Protection District

Alternates Present: Erin Lump, Rincon del Diablo Municipal Water 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)

The Commission Clerk confirmed a quorum was present with eight voting members. Also present at the dais: Executive Officer Keene Simonds; Commission Counsel Holly Whatley; Chief Policy Analyst Robert Barry; Analyst Linda Zambito; Analyst Alex Vidal; and Executive Assistant Tameron Luckett serving as Commission Clerk.

Commissioner Mathis arrived at 9:34 a.m.

2. PLEDGE OF ALLEGIANCE

Commissioner Kersey led the Commission in the Pledge of Allegiance.

3. AGENDA REVIEW

Chair MacKenzie asked the Executive Officer if there were requests to remove or rearrange items on the agenda. Executive Officer noted agenda item 6d identified as the “Orchard Hills Reorganization” has been cancelled and will be rescheduled for October’s meeting. The Executive Officer added staff was initiating video recording beginning with today’s meeting for subsequent posting on the LAFCO website.

4. 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. Without any speaker slips or seeing anyone approach the dais Chair MacKenzie ended the public comment period.

5. CONSENT ITEMS

Item 5a

Approval of Meeting Minutes | June 3, 2019

Item presented for action to approve draft minutes prepared for the Commission's June 3, 2019 regular meeting. Recommendation to approve.

Item 5b

Commission Ratification | Recorded Payments for May and June 2019

Item presented for action to ratify recorded payments made and received for the months of May and June 2019. Payments totaled \$418,419. Recommendation to approve.

Item 5c

End of the Year Budget Report for 2018-2019

Item presented for action to review the end year report comparing budget and actual expense and revenue transactions for 2018-2019. The report notes the Commission finished the fiscal year with a positive net operating balance of \$56,534 or 1.5% with the aid of a mid-year budget amendment. Recommendation to receive and file.

Item 5d

Ratification of an Administrative Approval | "Wilmott-Champagne Boulevard Outside-of-Agency Agreement" Involving the Valley Center Municipal Water District

Item presented for action to ratify an administrative approval of an outside-of-agency water service agreement authorizing Valley Center Municipal Water District to provide service to 28616 Champagne Boulevard in unincorporated Bonsall in response to a failing well. Recommendation to ratify.

Item 5e

Amendments to Commission Rules |

Reimbursements and Executive Officer Compensation Committee

Item presented for action to approve non-substantive amendments to the adopted rules. Amendments include establishing stand-alone reimbursement policies and prescribing the composition of the Executive Officer Compensation Committee to parallel the membership of the Personnel Committee. Recommendation to approve.

(continued)

CONSENT ITEMS CONTINUED...

Item 5f

Commendations for past Members of the Special Districts Advisory Committee

Item presented for action for service recognition for two former committee members – Erin Lump and John Pastore – of the Special Districts Advisory Committee. Recommendation to adopt the resolutions of commendations for presentation off dais.

Item 5g

Progress Report on 2019-2020 Workplan

Item presented for action to review the current progress of projects established as part of the 2019-2020 workplan. Recommendation to receive and file.

Item 5h

CALAFCO Annual Conference Items

Item presented for action relating to the upcoming CALAFCO Annual Conference scheduled for October 30th to November 1st. Recommendation to nominate Commissioner MacKenzie for re-election to the CALAFCO Board and appoint Commissioners Vanderlaan and MacKenzie as delegate and alternate, respectively.

Item 5i

Current Proposals and Related Activities

Information item updating active and pending proposals on file with the Commission.

Chair MacKenzie identified the items listed on the consent calendar and asked if any members would like to pull an item, and if not to make a motion.

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Commissioner Desmond motioned to approve the consent calendar as recommended in the agenda reports with a second from Commissioner Kersey. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis

NOES: None

ABSENT: Cate, Cox, and Dedina

ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

(continued)

6. PUBLIC HEARING ITEMS

Item 6a

Final Report and Related Actions |

Municipal Service Review on the San Diego County Sanitation District

Item presented for action with a presentation provided by Analyst Linda Zambito on the final report and related municipal service review actions involving the San Diego County Sanitation District. Ms. Zambito summarized the final report and its key conclusions and recommendations therein as well as addressing revisions to the document following the draft presentation in June and subsequent public review period. Ms. Zambito concluded her presentation with the staff recommendation for the Commission to formally accept the final report on the municipal service review and adopt an accompanying resolution making certain determinations as required under statute.

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

Commissioner Jacob thanked staff for a good report and for addressing the items raised at the last meeting and incorporating additional information from the San Diego County Sanitation District.

Without any further questions or discussion from the Commission, Chair MacKenzie opened the public hearing and invited comments from the audience.

With no comments from the audience, Chair MacKenzie closed the hearing and asked the Commission for a motion.

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Commissioner Jacob motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Vanderlaan. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis

NOES: None

ABSENT: Cate, Cox, and Dedina

ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

PUBLIC HEARING ITEMS CONTINUED...

Item 6b

Sphere of Influence Update | San Diego County Sanitation District

Item presented for action as a follow up to the preceding municipal service review on the San Diego County Sanitation District. Executive Officer Keene Simonds provided a brief overview of the item and the statutory purpose to update San Diego County Sanitation District's sphere of influence to demark the area the Commission independently believes represents the agency's appropriate near-term service area and eligible for future annexation. Mr. Simonds recommended the Commission proceed now with an abbreviated update to affirm San Diego County Sanitation District's existing sphere without any changes while also identifying certain areas – including Mt. Helix – that warrant more discussion for possible inclusion as part of the next five-year update. Mr. Simonds added the recommendation to proceed now with the update to affirm the current sphere would be accomplished by adopting the draft resolution in the agenda packet making the required determinations under statute.

Chair MacKenzie opened the public hearing and asked the Commission if there were any questions for staff.

Commissioner Willis asked when the San Diego County Sanitation District last sphere was updated and the timetable to revisit. The Executive Officer responded the sphere was last updated in 2011 and it is staff's expectation to return with a more comprehensive update sometime in the next 60-month period pending formal Commission direction through the adoption of the annual workplan.

Commissioner Desmond asked for clarification on the existence of several non-jurisdictional areas that are completely surrounded by the San Diego County Sanitation District and the reasons why they been excluded from the sphere to date. The Executive Officer responded all of the non-jurisdictional "islands" are remnants of several predecessor agencies and their former spheres that were consolidated into the San Diego County Sanitation District in 2011. The Executive Officer added the exact reasoning as to why these island areas have been historically excluded from the spheres is uncertain, but staff assumes there was some initial check-in performed by LAFCO within the communities and it was determined at the time these areas should remain on septic systems.

Commissioner Jacob commented many of the referenced islands are in East County and there are long-standing concerns in the communities about development encroachment aided by the extension of wastewater service. Commissioner Jacob added LAFCO should be sensitive to these community concerns when returning to the topic in the future as part of the Executive Officer's suggestion of a more comprehensive update.

General discussion followed.

PUBLIC HEARING ITEMS CONTINUED...

Item 6b Continued...

With no additional questions or discussion, Chair MacKenzie invited audience members to address the Commission.

With no comments from the audience, Chair MacKenzie closed the hearing and asked the Commission for a motion.

Commissioner Jacob motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Vanderlaan. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis
NOES: None
ABSENT: Cate, Cox, and Dedina
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

Item 6c

“Pauma Valley Fire Joint-Reorganization” |

Concurrent Divestiture of Fire Protection and Emergency Medical Service by Mootamai, Pauma, Yuima Municipal Water Districts and Latent Power Area Expansion of Fire Protection and Emergency Medical Services for County Service Area No. 135

Item presented for action with presentation provided by Analyst Linda Zambito related to the joint-proposal filed by four subject agencies to transfer fire protection and emergency medical service responsibilities involving approximately 18,565 acres in unincorporated Pauma Valley to the County of San Diego. Ms. Zambito noted the requested transfer involves LAFCO approval to divest existing fire protection and emergency medical powers from the Mootamai, Pauma, and Yuima Municipal Water Districts and concurrent expansion of County Service Area No. 135’s activated fire protection and emergency medical powers for the affected territory. Ms. Zambito summarized the staff analysis of the proposal and recommendation to proceed with an approval with modifications to add certain adjacent lands totaling 18.6 acres to better align the transfer to existing parcel lines. Ms. Zambito added a conforming sphere of influence amendment and standard terms are part of the recommended approval.

Chair MacKenzie opened the public hearing and asked for clarification regarding the map provided in the staff report. Ms. Zambito provided clarification as requested with additional details provided by Chief Policy Analyst Robert Barry.

Chair MacKenzie proceeded to invite other questions from the Commission.

PUBLIC HEARING ITEMS CONTINUED...

Item 6c Continued...

Commissioner Desmond asked for clarification on whether any monies are being exchanged between the three MWDs and the Fire Authority through CSA No. 135 as part of the transfer of fire protection and emergency medical service responsibilities. Staff responded that a benefit assessment specific to fire protection within the affected territory would transfer over to CSA No. 135; no property taxes would be exchanged.

Commissioner Desmond separately asked for clarification on the number of subsidies the County Fire Authority has been providing the three MWDs to help support fire protection services within their jurisdictional boundaries. At the invitation of Chair MacKenzie, County Fire Chief Tony Mecham responded at the podium and stated the annual subsidy provided to the MWDs has ranged between \$100,000 and \$140,000. Chief Mecham added this subsidy is coming to an end and the reorganization proposal has been timed accordingly.

General discussion followed from the Commission.

Chair MacKenzie proceeded to invite any members of the audience to address the Commission on this topic. Comments were received by the following individual.

- Warren Lyall with the Pauma Valley MWD thanked the Commission for taking the item up and reiterated the District's support for the staff recommendation.

With no further discussion or comments from the Commission or audience, Chair MacKenzie closed the public hearing and invited the Commission to make a motion.

Commissioner Desmond motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Jacob. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis
NOES: None
ABSENT: Cate, Cox, and Dedina
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

The Executive Officer noted a protest hearing will now be scheduled and the results will be presented to the Commission at the October meeting.

PUBLIC HEARING ITEMS CONTINUED...

Item 6d

“Orchard Hills Reorganization” | Concurrent Annexation to the Vallecitos Water District and Detachment from the Vista Irrigation District

Chair MacKenzie noted the item has been cancelled and will be rescheduled.

Item 6e

“Lomas de Oro Court Change of Organization” | Detachment from Leucadia WD

Item presented for action with presentation provided by Analyst Alex Vidal. Mr. Vidal noted the proposal has been submitted by two interested landowners requesting LAFCO approval to detach 1.6 acres of incorporated territory in the City of Encinitas from the Leucadia Wastewater District. Mr. Vidal added the purpose of the proposal is to facilitate connections of the two parcels that comprise the affected territory to the City of Encinitas’ public wastewater system in conjunction with a planned public works improvement to increase collection capacity. Mr. Vidal summarized the staff analysis of the proposal and recommendation to proceed with an approval with a modification to expand the detachment to include 0.1 acres of adjacent public right-of-way along with a conforming sphere amendment. Standard terms also part of the recommendation.

Chair MacKenzie asked whether staff had done any outreach to the neighboring landowners to assess interest in expanding the proposal to include additional properties that may also benefit in connecting to the City of Encinitas’ wastewater system. The Executive Officer responded LAFCO staff had not performed any outreach, but noted the City circulated a survey to assess landowner interest to connect to the wastewater system and the two landowners included in the proposal were the lone affirmative responses.

Chair MacKenzie asked the Commission for any questions.

With no questions, Chair MacKenzie proceeded to open the hearing and invited audience members to address the Commission.

With no audience comment, Chair MacKenzie closed the hearing and asked for a motion.

Commissioner Salas motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Kersey. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis
NOES: None
ABSENT: Cate, Cox, and Dedina
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

PUBLIC HEARING ITEMS CONTINUED...

Item 6f

“Salem-Snyder Road Change of Organization” | Annexation to Otay Water District

Item presented for action with presentation provided by Chief Policy Analyst Robert Barry. Mr. Barry noted the proposal has been submitted by an interested landowner requesting LAFCO approval to annex 1.5 acres of unincorporated territory in Valle de Oro to the Otay Water District. Mr. Barry added the purpose of the proposal is to replace an aging septic system serving the single-family home that comprises the affected territory. Mr. Barry summarized the staff analysis of the proposal and recommendation to proceed with an approval without modification along with a conforming sphere amendment. Standard terms also part of the recommendation.

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

Without any questions from the Commissioners, the Chair proceeded to open the public hearing and invited comments from the audience. Seeing no audience members approach the podium, the Chair closed the public hearing and asked for a motion.

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Commissioner Willis motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Vanderlaan. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis
NOES: None
ABSENT: Cate, Cox, and Dedina
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

Item 6g

“Windmill Construction Reorganization” | Annexation to the City of La Mesa and Concurrent Detachments from San Miguel Consolidated Fire Protection District and County Service Area No. 135 – Regional Communications

Item presented for action with presentation provided by Chief Policy Analyst Robert Barry. Mr. Barry noted the proposal has been submitted by an interested landowner requesting LAFCO approval to annex 0.13 acres of unincorporated territory to the City of La Mesa with concurrent detachments from County Service Area No. 135 – Regional Communications and San Miguel Consolidated Fire Protection District. Mr. Barry added the purpose of the proposal is to facilitate the development of a single-family residence. Mr. Barry summarized the staff analysis of the proposal and recommendation to proceed with an approval with a modification to add approximately 0.07 acres of adjacent public right-of-way. Conforming amendments and standard terms also part of the recommendation.

PUBLIC HEARING ITEMS CONTINUED...

Item 6g Continued...

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

Commissioner Willis asked whether the proposal effects water service provision within the affected territory. Mr. Barry confirmed the affected territory is already within the Helix Water District and no changes are needed to accommodate the proposal.

Commissioner Jacob asked for clarification on the outreach performed by staff in processing the proposal. Mr. Barry responded that along with all subject and affected agencies notices were provided to County Planning and the Valle do Oro Community Planning Group. Commissioner Jacob asked going forward for staff to also include sending notices to the Grossmont-Mt. Helix Improvement Association.

With no more questions or comments from the Commission, Chair MacKenzie opened the hearing and asked if there were any comments or questions from the audience. The following audience members addressed the Commission:

- Fire Chief Criss Brainard with the San Miguel Consolidated Fire Protection District addressed the Commission and stated the District does not oppose the proposal but would like to be engaged earlier in these types of discussions going forward.
- Chair Steve Abbott with the San Diego County Fire Districts Association addressed the Commission and asked LAFCO to be expand its analysis going forward to address potential impacts on auto-aid agreements involving fire services.

Commissioner Jacob asked staff to review its noticing practices given Chief Brainard's comments and ensure sufficient time is provided for interested agencies to participate in the underlying discussions and before scheduling hearings.

With no further comments from the Commission or audience members, Chair MacKenzie closed the public hearing and asked for a motion.

Commissioner Jacob motioned to approve the staff recommendation as provided in the agenda report with a second from Commissioner Willis. Roll call requested:

PUBLIC HEARING ITEMS CONTINUED...

Item 6g Continued...

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis
NOES: None
ABSENT: Cate, Cox, and Dedina
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

7. BUSINESS ITEMS

Item 7a

Draft Municipal Service Review on the Escondido Region: Part One

Item is presented for information with a presentation provided by Analyst Alex Vidal on the draft report prepared as part of the scheduled municipal service review on the Escondido region. Mr. Vidal noted the draft before the Commission is Part One of the scheduled review and is specific to assessing the municipal services provided in the region by Deer Springs Fire Protection District and Rincon del Diablo Municipal Water District and Part Two covers the City of Escondido and will be presented in the future. Mr. Vidal summarized the draft on Part One and its key conclusions and recommendations and welcomed Commission feedback ahead of proceeding with a formal public review period with the intention of returning for formal action in October.

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

Commissioner Desmond asked for clarification regarding the exclusion of a sizeable portion of the Deer Springs FPD jurisdictional boundary from its sphere of influence. Staff responded LAFCO previously excluded the lower one-fifth of the District from the sphere in step with having separately placed the subject lands in the City of Escondido's sphere. Staff added the LAFCO expectation underlying these past decisions may warrant revisiting as part of the subsequent update process given the City of Escondido has not developed to the north as originally anticipated.

Commissioner Lump thanked staff for working with Rincon del Diablo MWD on the draft report and as a member of the District believes the document is generally fair with one notable exception. Commissioner Lump specified the draft's conclusions and related recommendations for LAFCO to perform a governance study to assess possible reorganization options given the overlapping boundaries and services between Rincon del Diablo MWD and the City of Escondido is fair but the specific reference of possibility transitioning Rincon into a subsidiary should be removed. Commissioner Lump added that the subsidiary route is one of many possible options that could be explored and its specification in the document is unwarranted at this time.

BUSINESS ITEMS CONTINUED...

Item 7a Continued...

Commissioner Jacob agreed with Commissioner Lump and added staff should proceed with independence and objectivity in proceeding with a governance study.

Commissioner Vanderlaan thanked staff for the draft and suggested it would be appropriate for LAFCO to continue to identify opportunities for additional fire consolidations – functional or political – to protect San Diego County.

Chair MacKenzie invited any members of the audience to address the Commission. Comments were received by the following individual.

- General Manager Greg Thomas with Rincon del Diablo MWD thanked staff for the report and opportunity to participate in the preparation of most of the document apart from the determinations. Mr. Thomas added Rincon disagrees with some of the determinations and will provide a letter accordingly. Mr. Thomas also reiterated Commissioner Lump's statement that Rincon is open to participating in a governance study so long as no specific outcomes are presupposed.

General discussion followed from the Commission. No action.

Item 7b

Designation of Labor Negotiators

Item presented for action by Commission Counsel Whatley to designate representatives to negotiate with the Executive Officer for any changes in salary and benefits as part of the annual performance review. Counsel Whatley recommended the Commission proceed with designating the members of its Executive Officer Compensation Committee – Jacob, MacKenzie, and Mathis – as its labor negotiators.

Chair MacKenzie asked for a motion.

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Commissioner Desmond motioned to approve Commission Counsel's recommendation with a second from Commissioner Salas. Roll call requested:

AYES: Desmond, Jacob, Kersey, MacKenzie, Salas, Vanderlaan, Wells, and Willis
NOES: None
ABSENT: Cate, Cox, and Dedina
ABSTAINING: None

The Commission Clerk confirmed the motion was approved 8-0.

8. EXECUTIVE OFFICER REPORT

None

9. COMMISSION ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS

None

10. CLOSED SESSION

Chair MacKenzie announced the Commission would proceed into closed session at 10:35 a.m. for the following four items as provided on the agenda.

Item 10a

Conference with Legal Counsel – Existing Litigation:

Pursuant to Government Code Section 54956.9(d)(1): Julian-Cuyamaca Fire Protection District, et al. v. San Diego LAFCO et al., San Diego Superior Court Case No. 37-2019-0001876-CU-M C-TL

Item 10b

Conference with Legal Counsel – Existing Litigation:

Pursuant to Government Code Section 54956.9(d)(1): Julian Fire Company Association, et al. v. Julian-Cuyamaca Fire Protection District, et al., San Diego Superior Court Case No. 37-2018-00020015-CU-WM-CTL

Item 10c

Conference with Legal Counsel – Initiation of Litigation:

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

Item 10d

Conference with Legal Counsel – Anticipated Litigation:

Pursuant to Government Code Section 54956.9(d)(2): Significant expose to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9. (Two cases.)

Item 10e

Public Employee Performance Evaluation

Pursuant to California Government Code § (54957(b))
Employee: Keene Simonds, Executive Officer

Item 10f

Conference with Labor Negotiators

Pursuant to California Government Code Section 54957.6
Agency designated representatives: MacKenzie, Jacob, and Mathis
Unrepresented Employee: Executive Officer

CLOSED SESSION CONTINUED...

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Chair MacKenzie reconvened the regular meeting back into open session at 11:10 a.m. with Commission Counsel Holly Whatley announcing there were no reportable actions.

11. ADJOURNMENT TO NEXT REGULAR MEETING

With no further business the Chair adjourned the meeting at 11:12 a.m.

ATTEST,

Tameron Lockett
Executive Assistant