



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

6b

AGENDA REPORT
 Public Hearing | Action

March 3, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
 Meghan Traynor, Local Government Analyst I

SUBJECT: **Proposed “Huang-Mt. Whitney Road Change of Organization” | Expansion of Rincon del Diablo MWD’s Activated Wastewater Service Area and Conforming Sphere of Influence Action (CO24-09)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a change of organization proposal initiated by landowner petition. The proposal seeks Commission approval to expand Rincon del Diablo Municipal Water District’s (Rincon MWD) activated wastewater service area to include 0.91 acres of unincorporated territory within the Harmony Grove Community. The affected territory comprises one undeveloped legal parcel entirely within Rincon MWD’s jurisdictional boundary and primary sphere of influence but outside the District’s activated wastewater service area and associated secondary sphere of influence. The proposal's purpose is to establish wastewater service to facilitate the planned development of one single-family residence. Staff recommends conditional approval of the proposal along with a conforming amendment to Rincon del Diablo MWD’s secondary sphere. Waivers are also recommended. This includes proceeding without a new municipal service review that would otherwise be required under LAFCO Policy L-106 and dismissing protest proceedings. It is separately recommended the Commission find that the project is exempt under CEQA Guidelines Section 15061(b)(3) for the sphere of influence amendment as well as CEQA Guidelines Section 15319(b) for the change of organization itself.

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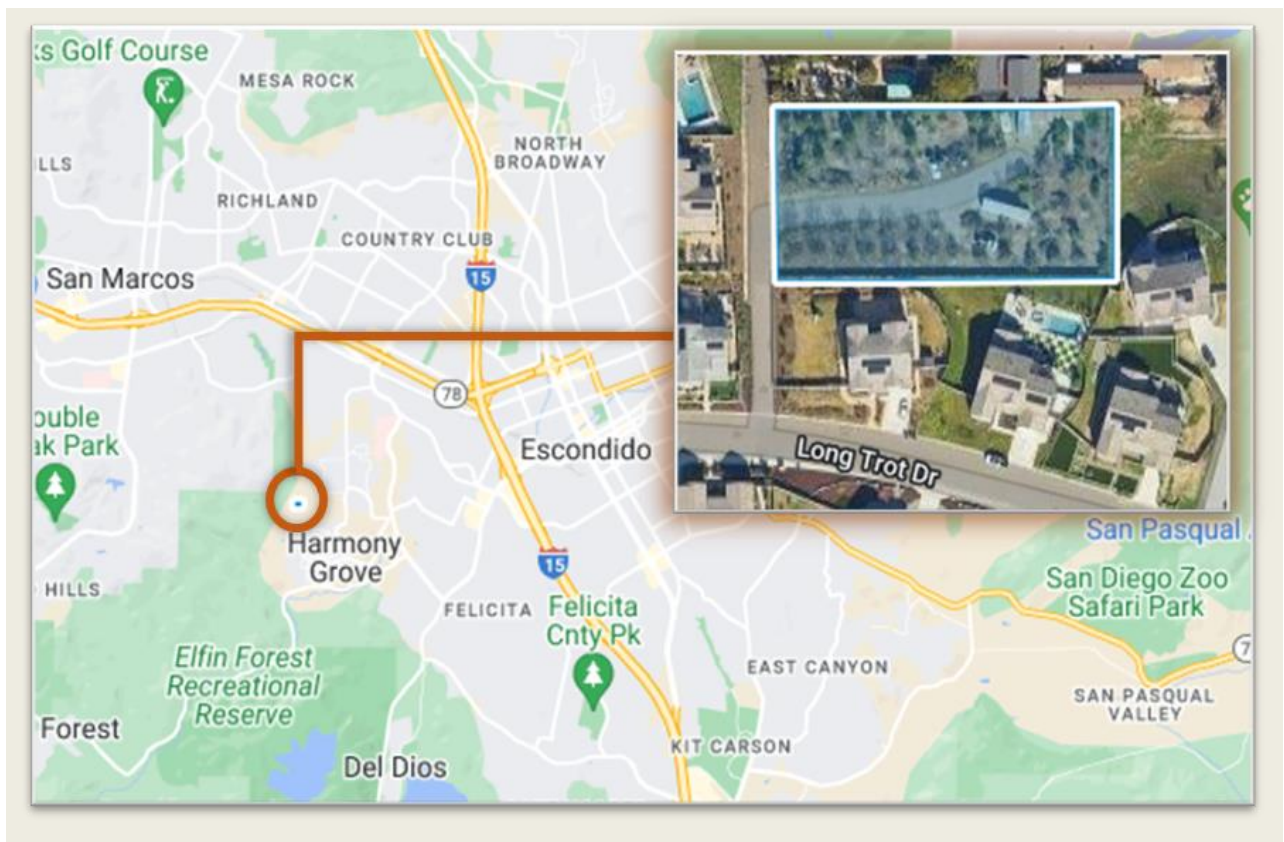
BACKGROUND

Applicant Request

San Diego LAFCO has received a change of organization proposal initiated by landowner petition (Shuwei Huang and Rong Zhang) requesting approval to expand Rincon del Diablo MWD’s previously activated wastewater service area by approximately 0.91 acres. The affected territory as submitted includes one undeveloped unincorporated parcel within the community of Harmony Grove identified by the County of San Diego Assessor’s Office as 232-500-10 with an unassigned situs address on Mt. Whitney Road with an Escondido zip code. The affected territory lies entirely within Rincon MWD’s jurisdictional boundary and primary sphere of influence but outside the District’s activated wastewater service area and associated secondary sphere of influence.

Regional Setting

The affected territory lies in central San Diego County within the north end of the developing unincorporated community of Harmony Grove and south of the City of Escondido’s extended sphere of influence. The affected territory lies within County Supervisorial District No. 3 (Terra Lawson-Remer), Assembly District No. 65 (Darshana Patel), and Senate District No. 40 (Brian W. Jones). An aerial map of the affected territory and its regional setting follows with a more detailed map – including showing the subject parcel and Rincon del Diablo MWD’s jurisdictional boundary – provided as Attachment One.



Subject Agency

The proposed change of organization filed with San Diego LAFCO involves one subject agency: Rincon del Diablo MWD.¹ A summary of the subject agency in terms of governance, resident population, municipal functions, and financial standing follows.

- **Rincon del Diablo MWD** is an independent special district formed in 1954. The jurisdictional boundary spans 42 square miles and includes most – but not all – of the City of Escondido as well as surrounding unincorporated lands. Staff estimates Rincon del Diablo MWD’s resident population currently at 130,526. A five-member Board of Directors oversees Rincon MWD’s principal function of water plus three other functions that are provided on a more limited geographic basis involving wastewater, recycled water, and consolidated fire protection and emergency medical.² LAFCO established a sphere of influence for Rincon MWD in 1985 followed by a secondary sphere specific to its wastewater function in 2018. The primary sphere (water, wastewater, and fire/EMS functions) and secondary sphere (wastewater function) were both updated by LAFCO in 2022 following the completion of a regional municipal service review and shown as attachment two. Rincon MWD operates as a dual governmental-business operation with water, wastewater, and recycled water functions organized as enterprises with user fees expected to cover day-to-day operations. Rincon MWD’s audited total net position is \$98.6 million as of June 30, 2023 with an unrestricted balance of \$48.4 million. This includes an ending cash balance of \$21.4 million. The ending net position reflects an overall change of 3.7% during the last three audited years.

Affected Local Agencies

The affected territory presently lies within the jurisdictional boundaries and/or spheres of influence of eleven local agencies directly subject to San Diego LAFCO’s planning and regulatory responsibilities. These agencies qualify as “affected agencies” relative to the proposed change of organization and are listed below.³

- County Service Area No. 135 (Regional Communications)
- Metropolitan Water District of Southern California
- North County Cemetery District
- North County Transit District
- Palomar Healthcare District
- Resource Conservation District of Greater San Diego
- Rincon Municipal Water District
- San Diego County Flood Control District

¹ State law defines “subject agency” to mean any district or city for which a change of organization or reorganization is proposed.

² Rincon del Diablo MWD’s fire protection and emergency medical services are limited to approximately one-third of its jurisdictional boundary with the majority of responsibility tied to its southern perimeter. Wastewater services were activated by LAFCO in 2018 and limited to the Harmony Grove Village development area west of Escondido.

³ State law defines “affected local agency” as any entity that contains, or would contain, or whose sphere contains or would contain, any territory for which a change of organization is proposed or ordered. Notice of the proposal and hearing were provided to the agencies.

- San Diego County Street Lighting District
- San Diego County Water Authority
- San Marcos Fire Protection District

The affected territory also lies within the following school and college districts, and accordingly have received notice of the proposal as part of the administrative review: Escondido Union Elementary School District; Escondido Union High School District; Palomar Community College District.

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the change of organization proposal to expand Rincon MWD’s activated wastewater service area to include the affected territory. The Commission may also consider applying approval conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion on purpose, current and planned land uses, and Commission focus follows.

Proposal Purpose

The purpose of the proposed change of organization before San Diego LAFCO is to establish public wastewater to the affected territory and in doing so accommodate the planned development of a single-family residence as allowed under County zoning. The change of organization would make explicit under State Law via LAFCO that Rincon del Diablo MWD is the designated wastewater service provider for the affected territory going forward.

Current and Planned Land Uses

The affected territory is entirely unincorporated and under the land use authority of the County of San Diego and its adopted policies. Specific development policies for the affected territory are delegated in the County General Plan to the San Dieguito Community Plan (2011). The present land use designation applied to the affected territory is Semi-Rural Residential (SR-2), which provides up to one dwelling unit per every two acres. The affected territory is zoned Limited Agriculture (A70) with a minimum parcel size prescription of four acres. This zoning assignment produces a maximum density of two dwelling units divided between the legal parcel having a single-family residence and an accessory dwelling unit.

Commission Focus

Three central and sequential policy items underlie San Diego LAFCO’s consideration of the proposed change of organization. These policy items take the form of determinations and orient the Commission to consider the stand-alone merits of (a) sphere of influence amendment, (b) timing of the change of organization itself, and (c) whether modifications or approval terms are appropriate. The Commission must also consider other relevant statutes in, and outside LAFCO law as further detailed in the proceeding section.

ANALYSIS

San Diego LAFCO’s analysis of the proposed change of organization is divided into two subsections. The first subsection pertains to evaluating the central issues referenced in the preceding section relative to both statutory and local policy considerations. The second subsection considers other germane issues and is highlighted by applicability under the California Environmental Quality Act (CEQA).

Central Policy Items

Item No. 1 |

Conforming Sphere of Influence Amendment

The proposed change of organization necessitates San Diego LAFCO consider a conforming sphere of influence action to achieve consistency with the requested jurisdictional change as required under statute and practice. The action involves amendment to the secondary sphere of influence established by LAFCO for Rincon MWD’s wastewater service function. This amendment is premised on LAFCO’s overall statutory responsibility to designate spheres to demark the affected agencies’ appropriate jurisdictional boundary and/or service areas now and into the immediate future as determined by the Commission.

With the above scope in mind, the proceeding analysis is organized to consider three related factors necessitated under statute and local policy. The statutory factors relate to an informing municipal service review along with addressing the general relationship between the subject agency and the affected territory.⁴ Local policies involve consideration of L-102 and its provisions to guide sphere actions in San Diego County.

- Sphere Factor No. 1:
Consideration of a Municipal Service Review

Statute requires LAFCO to prepare municipal service reviews to inform its related task to regularly review and update all local agencies’ spheres of influence. The statute further directs LAFCO to perform sphere updates every five years as needed. The most recent municipal service review prepared by LAFCO germane to the affected territory and subject agency was completed in 2019. Requiring a new municipal service review – and specific to informing the proposed change of organization (i.e., latent power service area expansion) – does not appear warranted. This conclusion ties to the relative timeliness of the last municipal service review paired with the relatively limited scope of the amendment (i.e., amendment to Rincon MWD’s activated wastewater-specific sphere of influence to achieve connectivity between the affected territory and the District’s activated wastewater service area).

⁴ Reference to Government Codes 56430 and 56425, respectively.

- Sphere Factor No. 2:
Consideration of the Agency-Affected Territory Relationship

The Legislature prescribes consideration of five factors anytime LAFCOs act on spheres of influence. These factors parallel the macro topics in municipal service reviews with a generalized focus on the relationship between the subject agency and the affected territory – including service needs and adequacy of available services. The factors also orient the Commission to broadly consider the relationship between current and planned land uses in the affected territory plus – and as needed – effects on qualifying disadvantaged unincorporated communities. The factors and staff analysis follow.

- With respect to **present and planned land uses**, the affected territory as submitted comprises 0.91 acres of unincorporated territory within the community of Harmony Grove. The affected territory is presently undeveloped and pre-zoned by the County as Semi-Rural Residential (SR-2), allowing for one single-family residence and accessory dwelling unit (ADU). These present and planned residential uses are readily compatible with the conforming amendment.
- With respect to the **present and probable need for one or more public services**, there is pending need for public wastewater services within the affected territory to accommodate the otherwise planned development of a single-family residence and avoid the use of an onsite septic system. The present and continued need for public wastewater is readily compatible with the conforming sphere amendment.
- With respect to the **overall adequacy of the agencies’ public services**, a 2019 municipal service review on the Rincon MWD attests to the overall sufficiency of resources (infrastructure, finances, etc.) to continue to provide wastewater throughout its existing service area. Additional analysis on the ability to accommodate the underlying project is included in the proceeding section. No material deficiencies have been identified by LAFCO staff as part of the proposal review process. The overall adequacy of the wastewater system is readily compatible with the conforming amendment.
- With respect to **social or economic communities of interest if relevant to the agencies**, the affected territory maintains social and economic ties with Rincon MWD in step with being already within the District’s primary sphere and jurisdictional boundary as well as its immediate proximity to the Harmony Grove subdivision – the latter being also served by Rincon MWD’s wastewater system. Amending the secondary sphere for wastewater services to include the subject parcel syncs and strengthens these existing social and economic ties.
- With respect to the **present and probable need for services involving any disadvantaged unincorporated communities**, none of the affected territory qualifies under the LAFCO statute.

- Sphere Factor No. 3:
Consideration of Policy L-102

San Diego LAFCO’s policies guiding sphere of influence actions are primarily codified under L-102. This policy was adopted in August 1990 and last substantively updated in June 2000. It directs the Commission to utilize spheres to guide deliberations on future changes of organizations and in doing so – and among other growth management objectives – help reflect and preserve community identities. The policy further directs LAFCO to use spheres to discourage duplication of municipal services and similarly encourages local agency consolidations, whether functional or political. The sphere of influence amendment necessary to accommodate the proposed change of organization conforms with L-102. Most directly, the amendment would facilitate a known and otherwise modest jurisdictional change.

CONCLUSION | MERITS OF A CONFORMING SPHERE OF INFLUENCE AMENDMENT

The conforming action to amend Rincon MWD’s secondary sphere of influence for wastewater to include the affected territory and accommodate the proposed change of organization is sufficiently justified under both statute and local policy. Justification is marked by the preceding analysis and largely premised on the following policy factors. First, it is assumed the Commission determines a new municipal service review is not necessary given the otherwise timeliness of the last document (2019) paired with the limited scope of service impacts associated with the expansion and a waiver is appropriate. Second, it is assumed the Commission determines there is sufficient connectivity between Rincon MWD warranting inclusion in the secondary sphere and in doing so designate the District as the appropriate service provider going forward.

Item No. 2 | Change of Organization Timing

San Diego LAFCO’s consideration of the proposed change of organization’s timing draws on analyzing baseline factors required in statute as well as applicable policies set by the Commission.⁵ Applicable local policies prompted for consideration are headlined by L-107 and its attention to disclosing and/or addressing any known or perceived jurisdictional disputes.

An analysis of these two related timing factors follows.

⁵ Most of the baseline factors in statute focus on disclosing and otherwise addressing compatibility issues with external goals and policies of other state, regional, and local agencies as well as assessing the ability of subject agencies to provide services going forward. (Reference to Government Code Section 56668).

- Timing Factor No. 1:

Baseline Considerations: Regional Policies + Service Relationships

State law prescribes the mandatory consideration of certain and multifaceted factors anytime LAFCOs consider jurisdictional changes. These factors range in substance from disclosures – such as the affected territory’s current land uses, assessed values, registered voter counts, and so on – to discretionary analyses. This latter category is highlighted by evaluating the proposed jurisdictional changes’ relationship to community needs as well as service capacities and related financial resources of the receiving agency. A summary of key conclusions generated in reviewing these discretionary matters for the proposed change of organization and specifically (a) service needs, (b) service availability and capacities, and (c) related financial considerations follow.

- With respect to **service needs**, the affected territory’s planned uses and specifically the development of one single-family residence merits public wastewater services. Expansion of Rincon MWD’s wastewater service area to include the affected territory for the purpose of making available public wastewater service accommodates this known need and serves as a preferred alternative to operating an onsite septic system.
- With respect to **service availability and capacities**, Rincon MWD has available and sufficient wastewater capacities to accommodate the projected service demands in the affected territory at its planned uses. Specifically, Rincon MWD has existing wastewater infrastructure via an easement on Long Trot Drive – within the Harmony Grove Village Development – and can readily serve the affected territory through the extension of an approximate 150-foot private lateral connection. Based on the planned development of one single family residence, it is projected the average day wastewater flow generated within the affected territory is 250 gallons.⁶ This projected amount can be readily accommodated by Rincon MWD and represents 0.26% of its available treatment and discharge capacity remaining within its wastewater system.⁷ The maximum density development via an accessory dwelling unit doubles this consumption usage to 0.52% of available capacity and not considered substantive.
- With respect to **related financial considerations**, Rincon MWD has adequate financial resources and related administrative controls to provide wastewater services to the affected territory in support of its planned development without adversely impacting current ratepayers. This comment is reflected in staff analysis of recent audited statements, which shows Rincon MWD having established relatively healthy levels of liquidity and capital, highlighted by an ending current

⁶ Based on a per unit daily wastewater demand estimate of 250 gallons.

⁷ Rincon del Diablo MWD’s current average day wastewater flow at the Harmony Grove Village Water Reclamation Facility is 0.083 million gallons while its overall capacity is 0.18 million gallons.

⁸ The Executive Officer retains discretion to determine the extent of consultation needed.

ratio of 18.4 to 1 and a debt ratio of 15.0%, respectively, as of June 30, 2023. These measurements provide reasonable assurances of Rincon MWD’s overall favorable short and long-term financial outlook.

- Timing Factor No. 2:
Consideration of Policy L-107

San Diego LAFCO adopted L-107 in May 2010 to require all applicants to disclose jurisdictional disputes or related items that are associated with their proposal filings with additional details footnoted.⁸ No jurisdictional disputes have been disclosed by Rincon MWD in filing the change of organization proposal. LAFCO staff, similarly, has not identified any disputes or related concerns in the administrative review.

**CONCLUSION |
MERITS OF CHANGE OF ORGANIZATION TIMING**

The timing of the change of organization involving the expansion of Rincon MWD’s wastewater service area to include the affected territory is sufficiently warranted. Justification is marked by the preceding analysis and highlighted by appropriately syncing a planned need with available public facilities and capacities. Additional analysis supporting the conclusion is provided in Appendix A.

**Item No. 3 |
Modifications and Terms**

No modifications to the submitted change of organization have been identified by San Diego LAFCO staff meriting Commission consideration at this time. This includes confirmation the expansion of Rincon MWD’s activated wastewater service area to cover the affected territory would not generate any corridors or otherwise illogical jurisdictional features.

**CONCLUSION |
MODIFICATIONS AND TERMS**

No modifications to the proposal appear warranted. Standard approval terms are recommended and include receipt of all remaining payments associated with the processing of the proposal by the Commission through recordation.

Other Statutory Considerations

Exchange of Property Tax Revenues

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement by the affected local agencies before San Diego LAFCO can consider any jurisdictional change unless an applicable master agreement applies. The associated statutes also empower the County of San Diego to make all related property tax exchange determinations on behalf of special districts. Staff has confirmed the County Board of Supervisors has adopted a master agreement to govern the tax exchange for the proposed change of organization. The master agreement specifies no transfer of property taxes would occur following the proposed change of organization.

Environmental Review

San Diego LAFCO is obligated under CEQA to assess whether environmental impacts would result from activities approved under the Commission’s authority, either as a lead or responsible agency. The Commission is tasked with making two distinct findings under CEQA in consideration of the proposed change of organization. Staff’s analysis follows.

- San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendment to the Rincon MWD associated with the change of organization. It is recommended the Commission find this action is a project under CEQA but exempt from further review under State Guidelines 15061(b)(3). This exemption appropriately applies given it can be seen with certainty that spheres are planning policies and any associated actions (establishment, update, or amendment) in and of itself does not change the environment or authorize any new uses or services.
- San Diego LAFCO serves as lead agency under CEQA for assessing potential impacts of the proposed change of organization and expansion therein of Rincon MWD’s activated wastewater service area to include the affected territory. Staff believes the proposal qualifies as a project but is exempt from further review under State CEQA Guidelines Section 15319(b) and its cross-reference to Section 15303. This exemption appropriately applies given its accommodation of new construction of a single-family residence, or a second dwelling unit in a residential zone.

Protest Proceedings

Protest proceedings for the proposed change of organization may be waived by LAFCO should the Commission proceed with an approval under Government Code Section 56662. The waiver appropriately applies under this statute given the affected territory is uninhabited as defined under LAFCO law (i.e., less than 11 voters); the subject agency has not filed an objection to the waiver; and the landowners have consented to the underlying action.⁹

⁹ LAFCO law defines uninhabited as territory in which less than 11 registered voters reside.

RECOMMENDATION

Staff recommends conditional approval of the change of organization proposal as submitted along with standard terms. This recommendation is consistent with the action outlined as Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO:

Alternative One (recommended):

Adopt the attached draft resolution conditionally approving the change of organization proposal along with a conforming sphere of influence amendment. Approval would also include all of the following: waive protest proceedings; waive LAFCO Policy L-106 and the requirement of a new municipal service review to inform a sphere amendment; and make exemption findings as detailed under CEQA.

Alternative Two:

Continue consideration to the next regular meeting.

Alternative Three:

Disapprove the change of organization proposal with direction to staff to return at the next regular meeting with a conforming resolution for adoption.

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO's agenda for action as part of a noticed public hearing. The following procedures are recommended in the consideration of this item:

1. Disclose any material ex parte communications.
2. Receive verbal presentation from staff unless waived.
3. Open the public hearing and invite comments from the applicant and general public.
4. Discuss item and consider the staff recommendation.

On behalf of the Executive Officer,



Meghan Traynor
Analyst I

Appendices:

- A) Analysis Proposal Review Factors

Attachments:

- 1) Vicinity Map of the Affected Territory as Submitted
- 2) Map of Rincon MWD's Jurisdictional Boundary
- 3) Draft Resolution of Approval
- 4) Application Materials

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APPENDIX A
Government Code Section 56668
Mandatory Proposal Review Factors

- a) **Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent areas, in the next 10 years.**

The affected territory as submitted comprises a 0.91-acre area within the unincorporated community of Harmony Grove. The subject parcel is currently undeveloped with plans of developing a single-family residence. The County of San Diego Assessor's Office identifies the parcel as 232-500-10 with a current assessed *land* value (land and structures) of \$260,100 with the last transaction recorded in February 2023.

- b) **The need for municipal services; the present cost and adequacy of municipal services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.**

The County of San Diego serves as the primary purveyor of general governmental services to the affected territory, and include community planning, roads, and law enforcement. San Marcos Fire Protection District provides fire protection and emergency medical services. Rincon MWD is the authorized potable water service provider for the affected territory. This proposal affects only wastewater via the proposed expansion of Rincon MWD's activated wastewater service area and is the focus of the succeeding analysis.

- **Extending Public Wastewater to Affected Territory**

Connection to Rincon del Diablo MWD's activated wastewater service area can be made readily available through the extension of an approximate 150-foot private lateral connection within an existing wastewater easement on Long Trot Drive. The projected average daily wastewater flow for the affected territory at its maximum use and planned development is 250 gallons. This projected amount can be readily accommodated by Rincon MWD and represents 0.26% of its available wastewater treatment capacity. The maximum density development and addition of one accessory dwelling unit doubles this consumption usage to 0.52% of available capacity.

- c) **The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure.**

Approving the change of organization proposal and expansion of the activated wastewater service area to include the affected territory would strengthen economic and social interests between the District and the subject parcel. These ties exist via the current inclusion of the affected territory within the Rincon MWD jurisdictional boundary and access therein to its

potable water function. Approval would further consolidate Rincon MWD’s role in supporting the subject parcel’s planned uses to include access to its wastewater function.

d) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies/priorities set forth in G.C. Section 56377.

Approving the proposed change of organization and expansion of Rincon del Diablo MWD’s activated wastewater service area would be consistent with the Commission’s adopted policies to sync urbanized uses with urbanized services. The affected territory does not contain “open space” as defined under LAFCO law and no conflicts exist under Government Code Section 56377.

Additional analysis concerning conformance with germane Commission policies follows.

- San Diego LAFCO Policy L-107 requires applicants to disclose and address potential jurisdictional issues associated with their proposals, and if applicable, requires a consultation process with affected agencies, interested parties, or organizations to help discuss and potentially remedy concerns, unless waived by the Executive Officer. No jurisdictional disputes or related concerns were identified or disclosed by the applicant, affected agencies, or interested parties in the review of the proposal.

e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.

The affected territory does not contain “prime agricultural land”, or “agricultural land” as defined under LAFCO law. Specifically, the affected territory does not contain lands currently used for any of the following purposes: producing an agricultural commodity for commercial purposes; left fallow under a crop rotational program; or enrolled in an agricultural subsidy program. Approval of the proposal to expand Rincon MWD’s wastewater service area would not adversely affect the physical or economic well-being of agricultural lands.

f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment, the creation of islands or corridors of unincorporated territory, and other similar matters.

LAFCO is in receipt of a draft map and geographic description of the affected territory that details metes and bounds that appear consistent with the standards of the State Board of Equalization and conforming with lines of assessment. LAFCO approval would be conditioned on approval of the map and geographic description by the County Assessor’s Office and address any modifications enacted by the Commission. No irregular or otherwise illogical boundary features would be generated from proposal approval.

g) A regional transportation plan adopted pursuant to Section 65080.

The proposed change of organization would extend wastewater service to accommodate the planned construction of a single-family residence consistent with current zoning. The proposal and its anticipated outcomes do not generate any known conflicts with *San Diego Forward*, the regional transportation plan adopted by the San Diego Association of Governments.

h) Consistency with the city or county general and specific plans.

See the agenda report.

i) The sphere of influence of any local agency affected by the proposal.

See the agenda report.

j) The comments of any affected local agency or other public agency.

Notice of the submitted change of organization proposal was distributed to all affected and subject agencies as required under LAFCO law. Notices were also provided to all local college and school districts. No written comments on the proposal were received ahead of preparing this agenda report for distribution on February 21, 2025.

k) The ability of the newly formed or receiving entity to provide the services that are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Information collected and reviewed as part of this proposal indicates Rincon MWD has overall sufficient and available financial resources and administrative controls therein relative to serving the affected territory without adversely impacting existing constituents. This statement is supported by the following factors.

- Rincon MWD's last audit covers 2022-2023 and shows the District finished with moderate liquidity levels with an agency-wide current ratio of 18.4 (i.e., \$18.40 in current assets for every \$1.00 in current liabilities).
- Rincon MWD finished 2022-2023 with good capital levels and marked by a low debt ratio of 15.0% (i.e., only \$15.00 out of every \$100.00 in net assets are financed).
- Rincon MWD finished 2022-2023 with an overall total margin of 6.89%.

l) Timely availability of adequate water supplies for projected needs as specified in G.C. Section 65352.5.

The affected territory's planned residential uses are presently within and connected to Rincon MWD's retail potable water system with wholesale supplies provided by the San Diego County Water Authority. Approval of the proposed change of organization would not affect the timely availability of water supplies to the affected territory.

m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments.

The proposed change of organization would not impact any local agencies in accommodating their regional housing needs.

n) Any information or comments from the landowners, voters, or residents.

The affected territory is considered uninhabited as defined by LAFCO law (containing 11 registered voters or less). The landowners support the proposed change of organization and have provided written consent to the proceedings as the petitioners.

o) Any information relating to existing land use designations.

See above analysis for (h).

p) The extent to which the proposal will promote environmental justice.

The change of organization is expected to have a positive impact on environmental justice by enhancing wastewater services within the affected territory and for any groups that are susceptible to pollution burdens and their effects. Consideration of existing environmental justice factors within the affected territory draws on staff analyzing data available from the California Environmental Protection Agency through its online assessment tool (CalEnviroScreen 4.0).

Two composite percentile rankings for the affected territory are generated within this analysis and involve (a) pollution burdens and (b) susceptible population to pollution burdens relative to all census tracts in California.

- The affected territory's **composite pollution burden ranking** falls in the 59th percentile with an internal range between 8 and 96 percentiles. Four pollution burden measurements exceed the 50th percentile and are considered relatively high and include Cleanup Sites, Groundwater Threats, Hazardous Waste and Impaired Water with the latter two meriting additional attention given rankings of 89 and 96%.

- The affected territory’s **composite susceptible population** ranking falls in the 23rd percentile with an internal range between 4 and 75 percentiles. Two of these at-risk groups exceed the 50th percentile and are considered significant in magnitude and include Low Birth Rate and Housing Burden.

A summary of all tracked pollution burdens and susceptible populations follows.

Census Tract No. 6073013605 Pollution Burdens and Susceptible Population (Source: California Environmental Protection Agency and SD LAFCO)	
Affected Territory + Surrounding Lands	
Census Tract No.	6073020306
Estimated Population	9,659
Pollution Burden	Weighted Percentile
... Percentile	58.66
Indicator Air Quality: Ozone	44.98
Indicator Air Quality: PM 2.5:	13.01
Indicator Air Quality: Diesel PM:	26.62
Indicator Pesticides:	45.52
Indicator Toxic Releases:	15.17
Indicator Traffic:	47.59
Indicator Drinking Water Contaminants:	42.50
Indicator Lead in Housing:	8.67
Effects Cleanup Sites:	64.67
Effects Groundwater Threats:	64.22
Effects Hazardous Waste:	89.16
Effects Impaired Water:	96.26
Effects Solid Waste:	66.69
Sensitive Population	Weighted Percentile
... Percentile	22.98
Population Asthma:	4.85
Population Low Birth Weight:	51.31
Population Cardiovascular Disease:	24.89
Population Education:	15.78
Population Linguistic Isolation:	24.77
Population Poverty:	42.61
Population Unemployment:	26.86
Population Housing Burden:	75.98

- q) **Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area, if it is determined that such information is relevant to the affected territory.**

The County of San Diego General Plan contains a hazard mitigation plan for potential fire, flooding, and earthquakes. The affected territory lies within a “High Designation” fire hazard zone and a “Low-Level” earthquake zone.

- r) Section 56668.3(a)(1) Whether the proposed annexation will be for the interest of the landowners or present or future inhabitants within the district and the territory proposed to be annexed to the district.**
-

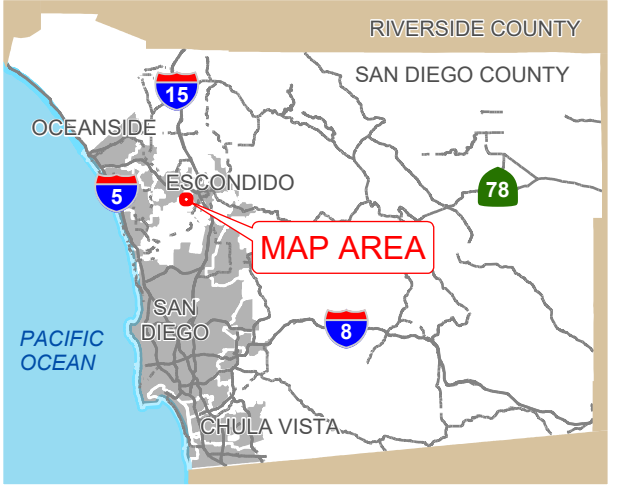
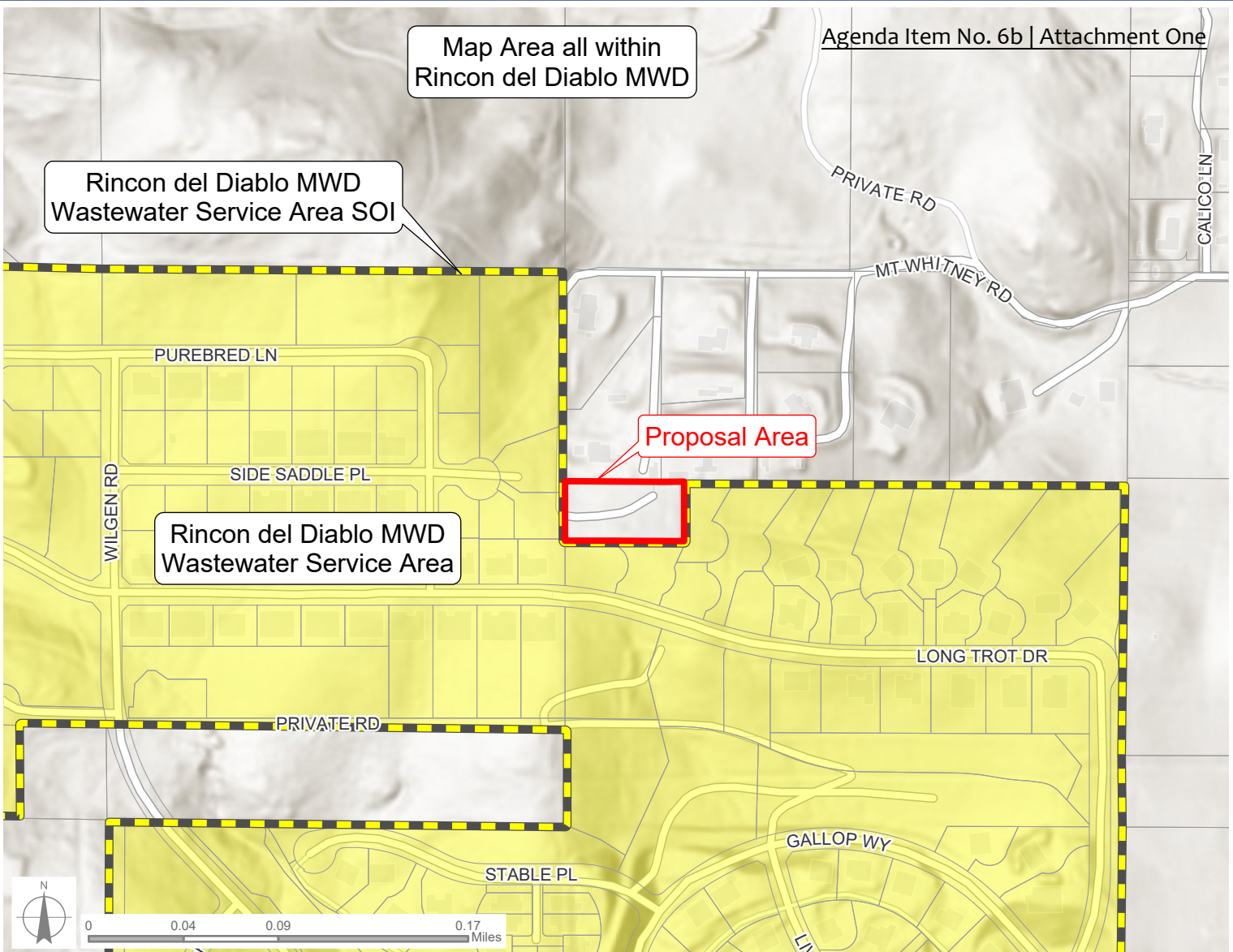
Approval of the change of organization would be in the best interest of the current and future landowners and/or residents of the affected territory. Specifically, approval would provide access to reliable public wastewater service to the affected territory and adjacent landowners and/residents by eliminating the operation of a private septic system and potential failures.

Map Area all within Rincon del Diablo MWD

Rincon del Diablo MWD Wastewater Service Area SOI




Rincon del Diablo MWD Wastewater Service Area

Proposal Area



CO24-09 "HUANG - MT. WHITNEY ROAD CHANGE OF ORGANIZATION" | RINCON DEL DIABLO MWD - EXPANSION OF ACTIVATED WASTEWATER SERVICE AREA AND RELATED SPHERE OF INFLUENCE ACTION

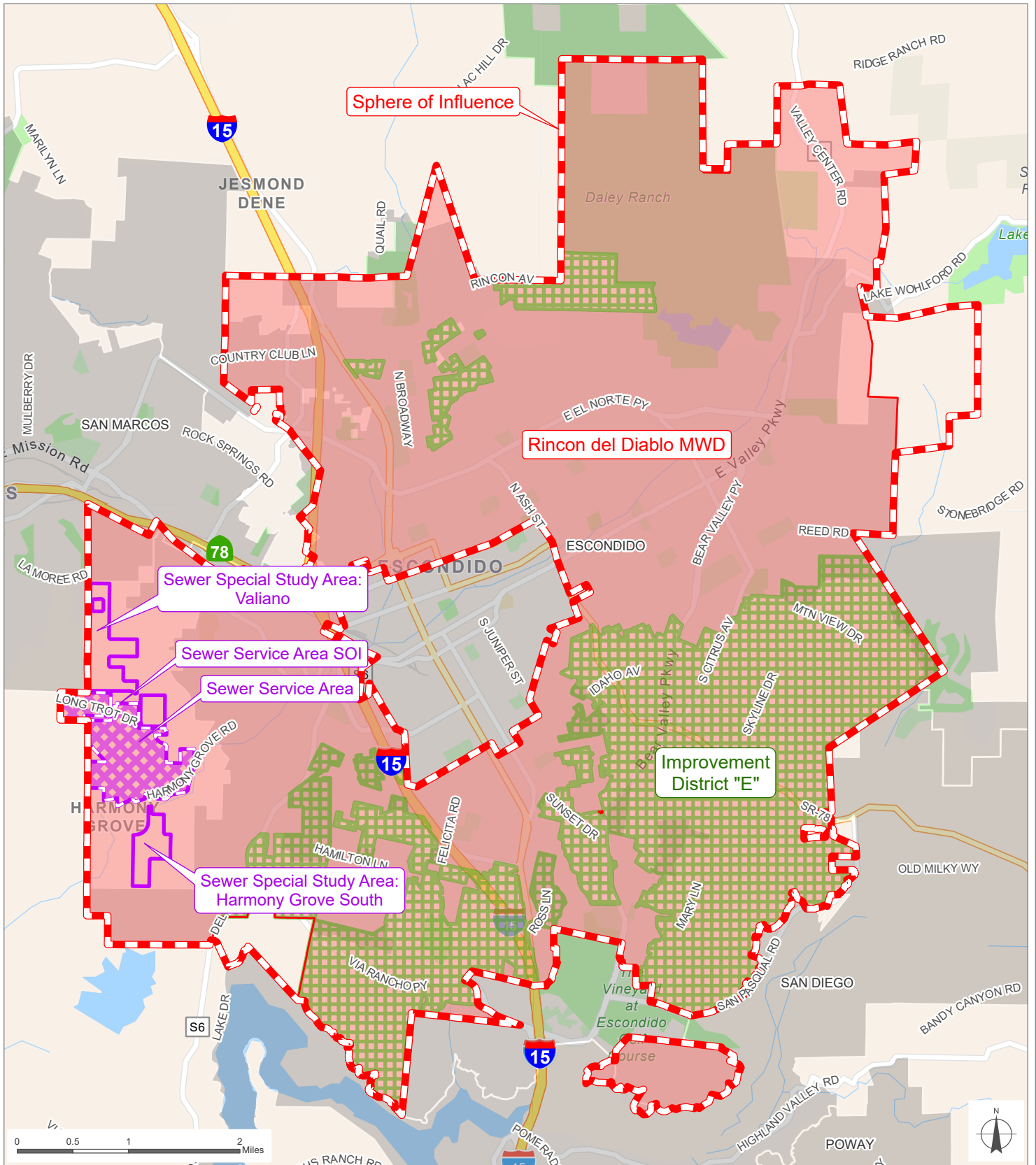
SOI = Sphere of Influence


-  Proposal Area
-  Rincon del Diablo MWD Wastewater SOI
-  Rincon del Diablo MWD Wastewater Service Area



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Rincon del Diablo MWD



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

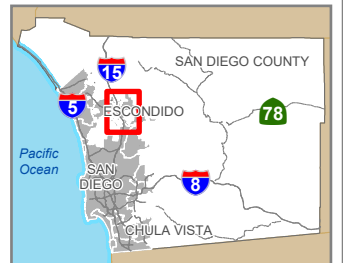
This map is provided without warranty of any kind, either express or implied, including but not limited to the implied warranties of merchantability and fitness for a particular purpose. Copyright LAFCO and SanGIS. All Rights Reserved. This product may contain information from the SANDAG Regional Information System which cannot be reproduced without the written permission of SANDAG. This map has been prepared for descriptive purposes only and is considered accurate according to SanGIS and LAFCO data.

Created by Dieu Ngu -- 2/24/2025

G:\GIS\PROJECTS\Profile_maps\2025 maps\Districts\MWD_Rincon.aprx

SOI Adopted: 4 / 1 / 1985
 SOI Affirmed: 9 / 8 / 2003
 SOI Affirmed: 2 / 7 / 2005
 SOI Affirmed: 5 / 7 / 2007
 SOI Reaffirmed: 8 / 6 / 2007
 SOI Affirmed: 12 / 5 / 2022

SOI = Sphere of Influence



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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A CHANGE OF ORGANIZATION

**“HUANG – MT. WHITNEY ROAD CHANGE OF ORGANIZATION”
EXPANSION OF RINCON DEL DIABLO MWD’S ACTIVATED WASTEWATER SERVICE AREA AND
CONFORMING SPHERE OF INFLUENCE ACTION
LAFCO FILE NO: CO24-09**

WHEREAS, on August 10, 2024, interested landowners – Shuwei Huang and Rong Zhang – filed a landowner petition to initiate proceedings and an application with the San Diego County Local Agency Formation Commission, hereinafter referred to as “Commission”, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the application seeks approval of a change of organization to expand Rincon del Diablo Municipal Water District’s (MWD) previously activated wastewater service area by approximately 0.91 acres of unincorporated territory in the County of San Diego;

WHEREAS, Rincon del Diablo MWD has provided its written support for the change of organization as submitted;

WHEREAS, the affected territory as proposed includes one legal undeveloped parcel identified by the County of San Diego’s Assessor’s Office as 232-500-10 with an unassigned situs on Mt. Whitney Road with an Escondido zip code; and

WHEREAS, on December 14, 1982, the County of San Diego and Rincon del Diablo MWD approved a Master Property Tax Transfer Agreement that will govern the property tax exchange associated with the change of organization of the affected territory to Rincon MWD; and

WHEREAS, the Commission’s Executive Officer has reviewed the proposed change of organization and prepared a report with recommendations; and

WHEREAS, the Executive Officer’s report and recommendations on the proposal have been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a noticed public meeting on the proposal on March 3, 2025;

WHEREAS, the Commission considered all the factors required by law under Government Code Sections 56425 and 56668 as well as adopted local policies and procedures.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The public meeting was held on the date set therefore, and due notice of said meeting was given in the manner required by law.
2. At the public meeting, the Commission considered the Executive Officer's report.
3. With respect to considering the effects of the proposed change of organization under the California Environmental Quality Act (CEQA), the Commission's makes the following findings:
 - San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendment to Rincon MWD associated with the change of organization. The Commission finds this action is a project under CEQA but exempt from further review under State Guidelines 15061(b)(3). This exemption appropriately applies given it can be seen with certainty that spheres are planning policies and any associated actions (establishment, update, or amendment) in and of itself does not change the environment or authorize any new uses or services.
 - San Diego LAFCO serves as lead agency under CEQA for assessing potential impacts of the proposed change of organization and expansion therein of Rincon MWD's activated wastewater service area to include the affected territory. The Commission finds the proposal qualifies as a project but is exempt from further review under State CEQA Guidelines Section 15319(b) and its cross-reference to Section 15303. This exemption appropriately applies given its accommodation of new construction of a single-family residence, or a second dwelling unit in a residential zone.
4. The Commission CONDITIONALLY APPROVES the sphere of influence amendment for Rincon MWD's secondary wastewater-specific sphere of influence to accommodate and otherwise match the change of organization as shown in the vicinity map and provided as Exhibit A.
 - a) Approval includes the Commission making findings under Government Code Section 56425 consistent with the statements provided in the accompanying Executive Officer's written report.
 - b) Approval is contingent upon the approval and related issuance of a Certificate of Completion for the change of organization.
5. The Commission CONDITIONALLY APPROVES the change of organization without modifications subject to conditions as provided. Approval involves all the following:
 - a) Expansion of Rincon MWD's wastewater service area to the affected territory as shown in "Exhibit A-1" and described in "Exhibit A-2".
 - b) The sphere of influence for Rincon MWD's wastewater service area is amended to include the affected territory as shown in "Exhibit A-1."

6. The Commission CONDITIONS all approvals on the following terms being satisfied by March 3, 2026 unless an extension is requested in writing and approved by the Executive Officer:
 - a) Completion of the 30-day reconsideration period provided under Government Code Section 56895.
 - b) Submittal to the Commission of final map and geographic description of the affected territory as approved by the Commission conforming to the requirements of the State Board of Equalization – Tax Services Divisions.
 - c) Submittal to the Commission of the following payments:
 - o A check made payable to LAFCO in the amount of \$100.00 for the County of San Diego-Clerk Recorder to reimburse for filing two CEQA Notice of Exemptions consistent with the findings in the resolution.
 - o A check made payable to the State Board of Equalization for processing fees in the amount of \$300.00.
 - o A check made payable to San Diego LAFCO in the amount of \$658.50 to reimburse the public hearing notice published in the San Diego Union Tribune.
7. Approval of the above-stated sphere of influence amendment includes an enabling waiver by the Commission – as recommended by the Executive Officer – of the provision in San Diego LAFCO’s Policy L-106 that would otherwise require the preparation of one or more municipal service reviews.
8. The Commission assigns the proposal the following short-term designation:

“Huang – Mt. Whitney Road Change of Organization”.
9. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.
10. The Commission waives conducting authority proceedings under Government Code Section 56662.
11. The County Service Area 135 is a registered-voter district.
12. Rincon del Diablo MWD utilizes the County of San Diego assessment roll.
13. The affected territory will be liable for any existing bonds, contracts, and/or obligations of Rincon del Diablo Municipal Water District as provided under Government Section 57328, and will be subject to any previously authorized taxes, benefit assessments, fees or

charges of Rincon del Diablo Municipal Water District as provided under Government Code Section 57330.

14. The effective date of the approval shall be the date of recordation but not before the completion of a 30-day reconsideration period and only after all terms have been completed as attested by the Executive Officer.
15. As allowed under Government Code Section 56107, the Commission authorized the Executive Officer to make non-substantive corrections to the resolution to address any technical defects, errors, irregularities, or omissions.
16. The Executive Officer is hereby authorized and directed to transmit copies of this resolution as provided in Sections 56880-56882 of the Government Code.
17. The Executive Officer is further authorized and directed to prepare, execute, and record a Certificate of Completion, make the 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.

**

PASSED AND ADOPTED by the Commission on March 3, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

**

ATTEST:

Keene Simonds
Executive Officer

EXHIBIT A-1
MAP OF AFFECTED TERRITORY

-Placeholder-

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EXHIBIT A-2
GEOGRAPHIC DESCRIPTION OF THE AFFECTED TERRITORY

-Placeholder-

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PETITION FOR PROCEEDINGS PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Part I: NOTICE OF INTENT TO CIRCULATE PETITION

Proponents are required to file a NOTICE OF INTENT TO CIRCULATE PETITION with the Executive Officer of the San Diego Local Agency Formation Commission before a petition to initiate a change of organization or reorganization can be circulated (Govt. Code § 56700.4).

1. Notice is hereby given to circulate a petition proposing to: annex to Rincon del Diablo Municipal Water And Sewer Service District

2. The reason(s) for the proposal are: _____

An anticipated development of vacant property, the new residential building requires new service.

<u>Shuwei Huang</u>	
Proponent's Name (print)	Signature of proponent or representative
<u>21462 Trail Ridge Dr</u>	<u>Escondido, CA 92029</u>
Proponent's Address	City, State, Zip

Pursuant to Section 56700.4 of the California Government Code, this NOTICE OF INTENT TO CIRCULATE PETITION was filed with me on _____

Date

Executive Officer (Print and Sign)

PART II: DISCLOSURE REQUIREMENTS

The Political Reform Act prohibits a person appointed to the Local Agency Formation Commission from soliciting or accepting campaign contributions of more than \$250 within the preceding 12 months from parties, participants, or their agents while a proceeding is pending before LAFCO and for three months following the decision. LAFCO commissioners who receive such contributions are required to disqualify themselves from participating in the proceedings. Both commissioners and contributors who are parties to the proceeding are required to disclose the contributions received or made. Names of current LAFCO commissioners and LAFCO disclosure forms are available at [HTTP://WWW.SDLAFCO.ORG](http://www.sdlafco.org) or by calling 858/614-7755.

Pursuant to Government Code Section 56700.1, any person or combination of persons who, for political purposes, directly or indirectly contributes \$1,000 or more, or expend \$1,000 or more in support of, or in opposition to a proposal for a change of organization or reorganization that will be submitted to the Commission, shall disclose and report to the Commission to the same extent and subject to the same requirements of the Political Reform Act (Title 9 [commencing with Section 81000]) as provided for local initiative measures.

Pursuant to Government Code Section 57009, any person or combination of persons who directly or indirectly contributes \$1,000 or more, or expends \$1,000 or in support of, or in opposition to, the conducting authority proceedings for a change of organization or reorganization, must comply with the disclosure requirements of the Political Reform Act of 1974, (Government Code section 81000 et seq.). Applicable reports must be submitted to the Secretary of State and the appropriate city or county clerk. Copies of the reports must also be filed with the Executive Officer of San Diego LAFCO.

Part III: PETITION FOR CHANGE OF ORGANIZATION OR REORGANIZATION

This proposal is made pursuant to Part 3, Division 3, Title 5 of the California Government Code, Section 56000 et seq. of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

(a) The specific change(s) of organization proposed is/are: Annexation to Rincon del Diablo Municipal Water And Sewer Service District

(b) The boundary of the territory included in the proposal is as described in the attached legal description and map and is by this reference incorporated herein.

(c) The proposed action(s) will be subject to the following terms and conditions: _____

(d) The reason(s) for the proposal is/are: _____
An anticipated development of vacant property, the new residential building requires new service.

(e) Signers of this petition have signed as (select one): landowner; registered voter.

(f) The name(s) and mailing address(es) of the chief petitioner(s) (not to exceed three) is/are:

1. Shuwei Huang, 21462 Trail Ridge Dr, Escondido, CA 92029
Name of chief proponent (print) mailing address

2. Rong Zhang, 21462 Trail Ridge Dr, Escondido, CA 92029
Name of chief proponent (print) mailing address

3. _____
Name of chief proponent (print) mailing address

(g) It is requested that proceedings for this proposal be taken in accordance with Section 56000 et seq. of the Government Code.

(h) This proposed change of organization (select one) is is not consistent with the sphere-of-influence of any affected city or district.

(i) The territory included in the proposal is (select one) inhabited (12 or more registered voters) uninhabited (11 or less registered voters).

(j) If the formation of a new district(s) is included in the proposal:
1. The principal act under which said district(s) is/are proposed to be formed is/are: _____
2. The proposed name(s) of the new district(s) is/are: _____

3. The boundary(ies) of the proposed new district(s) is/are described in the attached legal description and map and are by this reference incorporated herein.

(k) If an incorporation is included in the proposal:
1. The name of the proposed city is: _____
2. Provisions are requested for appointment of: city manager city clerk city treasurer

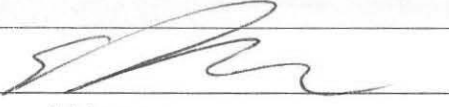
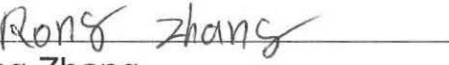
(l) If the proposal includes a consolidation of special districts, the proposed name of the consolidated district is: _____

Part IVb: LANDOWNER PETITION

Petitions must meet minimum signature requirements (see Part V). Signatures must be secured within six months of the date on which the first signature was affixed. Petitions must be submitted to the LAFCO Executive Officer within 60 days after the last signature is affixed (Govt. Code § 56705).

Each of the undersigned states:

- I personally signed this petition.
- I am a landowner of the affected territory.
- I personally affixed hereto the date of my signing this petition and the Assessor's Parcel Number(s), or a description sufficient to identify the location of my land.

Name of Signer	Assessor's Parcel Number(s)	Date Signed	Official Use
Sign  Print <u>Shuwei Huang</u>	232-500-10-00	08/11/24	
Sign  Print <u>Rong Zhang</u>	232-500-10-00	08/11/24	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

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