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

SAN DIEGO COUNTY
LOCAL AGENCY FORMATION COMMISSION

REGULAR MEETING AGENDA
Monday, October 6, 2025

Doors Open: 8:00 A.M.
Meeting Starts: 8:15 A.M.

In-Person Participation
County Administration Center
1600 Pacific Highway, Room 302
San Diego, California

Video-Teleconference Participation
https://www.zoom.us/join
Meeting ID 895 6767 7168 | Passcode 508649
(669) 900-9128

Video Viewing Only
@sandiegolafco9909

San Diego LAFCO		
Commissioner	**Appointing Authority**	**Affiliation**
Chair Stephen Whitburn	Mayor of the City of San Diego	City of San Diego
Vice Chair Barry Willis	Independent Special Districts	Alpine Fire Protection
Paloma Aguirre	Board of Supervisors	County of San Diego
Joel Anderson	Board of Supervisors	County of San Diego
Kristi Becker	Cities Selection Committee	City of Solana Beach
Brigette Browning	Commission	General Public
Jo MacKenzie	Independent Special Districts	Vista Irrigation
Dane White	Cities Selection Committee	City of Escondido
Alternate Eileen Delaney	Commission	General Public
Alternate David A. Drake	Independent Special Districts	Rincon del Diablo MWD
Alternate John McCann	Cities Selection Committee	City of Chula Vista
Alternate Monica Montgomery Steppe	Board of Supervisors	County of San Diego
Alternate Marni von Wilpert	Mayor of the City of San Diego	City of San Diego

Participation Instructions:

In person attendance by the public is welcomed. LAFCO meets in Room 302 in the County Administration Center (1600 Pacific Highway). Three-hour visitor parking is available using the Ash Street entrance. To provide comments on any item, please turn in a speakers slip to LAFCO staff before the item commences.

Remote participation by video or telephone is welcomed through Zoom by following these instructions.

Comments by Video	Comments by Telephone
1. Click or type the link found at the top of the agenda	1. Dial + 1-669-900-9128
2. Type the Meeting ID identified on the top of this agenda followed by the Passcode	2. Dial the Meeting ID identified at the top of the agenda followed by the Passcode
3. Click the raise hand icon	3. Dial *9 to raise your hand
4. LAFCO will announce your name as it appears when it is your turn to speak	4. LAFCO will call out the last 4 digits of your phone number when it is your turn to speak
5. Click the speaker icon to unmute to speak	5. Dial *6 to unmute yourself

All comments – whether provided in person or remotely (video and telephone) – are limited to three minutes for individuals and five minutes for agencies and community organizations. The Chair may adjust the time allowance as they deem appropriate in managing the Commission's business.

Remote participation by e-mail is also welcomed by sending comments to Commission Clerk Erica Sellen at erica.sellen@sdcounty.ca.gov.

- All e-mails received before 3:00 P.M. one business day before the meeting will be forwarded to the Commission and posted online prior to the start of the meeting.
- All e-mails received after 3:00 P.M. one business day before the meeting and up until the conclusion of the item by the Commission will be noted for the record by LAFCO staff with a good-faith summary and subsequently posted online.

The Commission may proceed with the meeting, even where there is a disruption that prevents the Commission from broadcasting the meeting to members of the public or from receiving public comment from members of the public using a call-in option or internet-based service option, unless such disruption prevents a member of the Commission is participating under Government Code Section 54953, subdivision (e) or (f).

Public Accommodations:

Assistance for the disabled is available by contacting LAFCO staff prior to the meeting. To the extent possible, accommodation requests should be submitted at least 72 hours in advance.

Spanish language translation services are readily available at LAFCO meetings. Translation services covering other languages may be made available upon request at least 72 hours prior to the meeting.

Contact Information:

Erica Sellen
Commission Clerk
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T: 619-321-3380
F: 619-404-6508
E: erica.sellen@sdcounty.ca.gov

1. **8:15 A.M. – CALL TO ORDER BY CHAIR**

   a) Roll Call of Commissioners Present
   b) Pledge of Allegiance

2. **STATEMENT (JUST CAUSE) AND/OR CONSIDERATION OF A REQUEST TO PARTICIPATE REMOTELY (EMERGENCY CIRCUMSTANCES) BY A COMMISSIONER, IF APPLICABLE.**

3. **AGENDA REVIEW**
   The Executive Officer will summarize the agenda, advise on any requested changes, and disclose any supplemental communications received. The Chair will also consider requests from Commissioners to rearrange agenda items.

4. **PUBLIC EXPRESSION AND**
   OPPORTUNITY FOR PUBLIC TO REQUEST DISCUSSION ON CONSENT ITEMS
   Opportunity for members of the public to speak on any subject matter within the Commission's growth management duties and interests that is not on the agenda. Speakers are limited to three minutes. This is also an opportunity to request discussion on a consent calendar item.

5. **CONSENT ITEMS**
   All items calendared as consent are considered ministerial and subject to approval by a single motion. The Chair will consider requests by Commissioners to pull items for discussion.

   a) **Approval of Meeting Minutes for August 4, 2025 (action)**
   The Commission will consider action minutes from the August 4, 2025 meeting prepared by the Commission Clerk. Staff recommends approval as presented. (Pages 7-20)

   b) **Commission Ratification | Recorded Payments for July and August 2025 (action)**
   The Commission will review a report of all payments made and received for July and August 2025. Staff recommends ratifying payments as presented. (Pages 21-32)

   c) **4th Quarter Budget Report for 2024-2025 |**
   Close of the Fiscal Year and Corrective Amendments (action)
   The Commission will review a fourth quarter budget report for 2024-2025. The Commission ended with a net deficit of ($121,839), or (4.4%), primarily due to higher-than-budgeted professional service costs. Staff recommends accepting the report and approving close-of-year amendments to ensure all expense units have authorized balances. (Pages 33-38)

   d) **Proposed Fund Balance Designations for 2025-2026 (action)**
   The Commission will conduct its annual review of fund balance designations for the new fiscal year. As of July 1, 2025, the total spendable cash fund balance is $1,671,791. Staff proposes maintaining the same designations as the prior fiscal year with one exception: releasing $100,000 from committed to unassigned funds. This adjustment ensures the agency meets its minimum fund balance benchmark of at least 33% of operating costs in unassigned funds. Staff recommends approval. (Pages 39-44)

CONSENT ITEMS CONTINUED…

e) **Proposed "Miller & Hall – Vulcan Avenue Change of Organization" | Annexation to Leucadia Wastewater District (CO25-10) (action)**
The Commission will consider a change of organization proposal initiated by Leucadia Wastewater District on behalf of interested landowners. The proposal seeks to annex 0.22 incorporated acres within the City of Encinitas to Leucadia consisting of one developed parcel at 327 North Vulcan Avenue (256-300-40). The annexation would establish public wastewater service for an existing single-family residence currently served by an on-site septic system and accommodate a planned accessory dwelling unit. Staff recommends conditional approval with a boundary modification to include an adjacent 0.01-acre parcel (256-300-39) comprising the driveway. Staff also recommends waiving protest proceedings and finding the project exempt under State CEQA Guidelines Section 15303(a). (Pages 45-80)

f) **Notice of Administrative Approval | "Iannacone–La Cruz Drive Out-of-Agency Wastewater" City of La Mesa (OAS24-06) (information)**
The Commission will receive notice of an administrative approval authorizing the City of La Mesa to provide out-of-agency wastewater service to an unincorporated property within its sphere of influence at 4950 La Cruz Drive (495-200-07). The authorization is limited to an existing single-family residence based on documentation of a public health threat from a failed septic system. The approval waives the standard annexation requirement given local conditions as detailed. The project is exempt from environmental review under CEQA Guidelines Section 15269(c). Information only. (Pages 81-98)

g) **Request to Release Approval Condition | "County Service Area No. 135 Islands Reorganization" (RO16-20) (action)**
The Commission will consider its Executive Officer's request to remove a condition from a previously approved five-agency reorganization affecting integrated fire protection, rescue, and emergency medical services for 21,000 acres of unincorporated land in eastern San Diego County. The still-active condition requires the County of San Diego to initiate annexation of 3,274 acres to County Service Area (CSA) No. 69 for ambulance transport services, but subsequent events have rendered it moot as detailed. (Pages 99-110)

h) **Report on Applicant Proposals (information)**
The Commission will receive a status report on active and anticipated applicant proposals. This is an informational item that satisfies LAFCO's reporting requirement. Information only. (Pages 111-126)

i) **2025-2026 Workplan Status (action)**
The Commission will receive an update on the adopted 2025-2026 workplan and related activities. As the fiscal year enters the second quarter, 10 of 30 special projects are substantively underway, with most activity focused on the Commission's top 10 priorities including municipal service reviews of wholesale water providers, local healthcare districts, and SANDAG. Staff recommends receiving and filing the report. (Pages 127-138)

CONSENT ITEMS CONTINUED…

j) **Cost-of-Living Adjustments and Related Benefit Changes (action)**
The Commission will consider a compensation package aligned with recent County of San Diego actions, including 3.0% annual COLAs for all eight budgeted positions over three fiscal years (FY 2025 to FY2028) and annual increases to flexible benefit allocations starting January 1, 2026. The package will cost an estimated $148,000 over three years. Staff recommends approval. (Pages 139-168)

k) **Legislative Report (information)**
The Commission will receive an update on active legislation relevant to the agency's regulatory and planning responsibilities. Information only. (Pages 169-174)

l) **Request to Join an Amicus Brief in Support of Monterey LAFCO (action)**
The Commission will consider a request from Monterey LAFCO to join an amicus brief supporting an appeal of a trial court decision with potential precedent-setting implications for all LAFCOs. The request includes contributing up to $1,200 toward proportional funding of the legal filing to be prepared by Nossaman LLP. Staff recommends approval based on the benefit of establishing legal precedent affirming that LAFCO actions need only be supported by substantial evidence under LAFCO law, rather than more restrictive standards that could limit LAFCO authority. (Pages 175-212)

m) **Report on Recent Committee Meeting | Cities Advisory Committee's September 18, 2025 Meeting (information)**
The Commission will receive a report on the most recent meeting of its Cities Advisory Committee held on September 18th. Information only. (Pages 213-222)

6. **PUBLIC HEARING ITEMS | COMMISSIONER DISCLOSURE OF EX PARTE COMMUNICATIONS**
Public hearing items require expanded public notification per provisions in State law or have been voluntarily scheduled by the Executive Officer to ensure opportunity for public input. All public hearing items require verbal disclosures by Commissions regarding any material communications.

a) **Proposed "Valiano – Eden Hills Reorganization" | Annexation to the San Marcos Fire Protection District, Detachment from Rancho Santa Fe Fire Protection District and Related Actions (RO/OAS19-26) (action)**
The Commission will consider a landowner-initiated reorganization proposal to accommodate the planned 243-unit "Valiano" residential development in Harmony Grove. The proposal involves detaching approximately 11 acres consisting of one parcel located at 1805 Country Club Drive (232-500-24) from the Rancho Santa Fe Fire Protection District (FPD) and annexing it to San Marcos FPD to place the entire 239-acre project site under one fire agency's jurisdiction. Staff recommends conditional approval with a conforming sphere of influence amendment for Rancho Santa Fe FPD. Conditions include requiring the two subject agencies to submit an out-of-agency service agreement as detailed. Staff also recommends waiving protest proceedings and Policy L-106, which would otherwise require a new municipal service review to be prepared. CEQA findings are also proposed. (Pages 223-258)

7. BUSINESS CALENDAR

Business items involve regulatory, planning, or other items that do not require a noticed hearing.

a) **Proposed "Brown – Quarry Road LLC Change of Organization" | Annexation to San Diego County Sanitation District & Related Actions (CO24-14) (action)**
The Commission will consider a landowner-initiated proposal to annex 10.7 acres of unincorporated territory in Bonita to the San Diego County Sanitation District. The affected territory consists of one vacant parcel at 5780 Quarry Road (586-050-62). The annexation would provide public wastewater service to accommodate a planned self-storage facility and ancillary improvements, allowed by major use permit under the existing residential zoning. Staff recommends conditional approval without modifications, waiving protest proceedings, and adopting CEQA findings. Staff separately recommends foregoing a sphere of influence amendment given local conditions. This item is on the business calendar due to the sphere complexity and the overall uniqueness of the request. (Pages 259-292)

b) **Proposed Update to Rolling Five-Year Study Schedule (action)**
The Commission will consider updating its five-year municipal service review (MSR) schedule. The proposed update resets the coverage period from FY 2026 through FY 2030 and constitutes a roll-forward of the existing schedule. Two notable adjustments include removing the completed Oceanside regional review and adding several new reviews, most placed in the latter years. The first two years (FY 2026–2027) correspond to MSRs already authorized and funded in the workplan, including the newly added San Diego Unified Port District review. The final three years (FY 2028–2030) signal long-term intentions and provide notice of upcoming reviews to local agencies and the public. Staff recommends approval, subject to any desired modifications. (Pages 293-302)

c) **Update on High Priority Project | Municipal Service Review on Wholesale Water Agencies in San Diego County (discussion)**
The Commission will receive an update on LAFCO's scheduled municipal service review of wholesale water agencies in San Diego County – one of 10 high-priority projects in the approved work plan. This project includes a comprehensive review of the San Diego County Water Authority and proportional review of the Metropolitan Water District of Southern California. The update is provided for discussion with an opportunity to provide feedback; with the current expectation of delivering a complete draft report as early as March 2026. (Pages 303-306)

8. EXECUTIVE OFFICER REPORT

9. COMMISSIONER ANNOUNCEMENTS & REQUESTS FOR FUTURE ITEMS

10. ADJOURNMENT

Attest to Posting:

Erica Sellen
Commission Clerk

5a

AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Erica Sellen, Commission Clerk

SUBJECT: **Approval of Meeting Minutes | Regular Meeting of August 4, 2025**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider draft minutes prepared for the regular meeting held on August 4, 2025. The minutes are in action form and being presented for formal Commission approval.

BACKGROUND

The Ralph M. Brown Act was enacted by the State Legislature in 1953 and – among other items – requires public agencies to maintain records for qualifying meetings.

DISCUSSION

This item is for San Diego LAFCO to consider approving action minutes for the August 4, 2025 regular meeting. The attendance record for the meeting follows.

- All regular Commissioners were present.
- All alternate Commissioners were present except Monica Montgomery Steppe (County of San Diego) and Marni von Wilpert (City of San Diego).

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

ANALYSIS

The attached draft minutes for the August 4, 2025 regular meeting accurately reflect San Diego LAFCO's deliberations as recorded by the Commission Clerk. A video recording of the meeting has also been posted on the Commission's website (www.sdlafco.org).

RECOMMENDATION

It is recommended San Diego LAFCO approve the draft minutes prepared for the August 4, 2025 regular meeting as presented. This recommendation is consistent with Alternative One outlined in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Approve the attached draft minutes prepared for the August 4, 2025 regular meeting with any requested corrections or clarifications.

Alternative Two:
Continue the item to the next regular meeting and provide direction as needed.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,

Erica A. Sellen

Erica Sellen
Commission Clerk

Attachment:

1) Draft Meeting Minutes for August 4, 2025

DRAFT MINUTES
SAN DIEGO LAFCO
August 4, 2025 REGULAR MEETING

1. 8:15 A.M. – CALL TO ORDER BY CHAIR

Item 1a
ROLL CALL OF COMMISSIONERS PRESENT

The regular meeting was called to order at 8:17 a.m. by Chair Whitburn. The Commission Clerk performed the roll call with the following attendance recorded.

Regulars Present:	Paloma Aguirre, County of San Diego Joel Anderson, County of San Diego (arrived at 8:19 a.m.) Kristi Becker, City of Solana Beach Jo MacKenzie, Vista Irrigation District Stephen Whitburn, City of San Diego (CHAIR) Dane White, City of Escondido Barry Willis, Alpine Fire Protection District (VICE CHAIR)
Alternates Present:	Brigette Browning, Public (voting) David Drake, Rincon Municipal Water District John McCann, City of Chula Vista
Members Absent:	Monica Montgomery Steppe, County of San Diego (alternate) Marni von Wilpert, City of San Diego (alternate)

The Commission Clerk confirmed a quorum with eight voting members present.

Also present at the time of roll call were the following LAFCO staff members: Executive Officer Keene Simonds, Assistant Executive Officer Priscilla Mumpower, Commission Counsel Holly Whatley, Local Government Analyst II Michaela Peters, Local Government Analyst I Meghan Traynor, Communications Associate Aiden Velasquez, GIS Analyst Dieu Ngu, and Commission Clerk Erica Sellen. LAFCO Consultants Patrick Bouteller, Bill Fulton, Mike Stein, and Adam Wilson were also present.

Item 1b
PLEDGE OF ALLEGIANCE

Commissioner Browning led the Pledge of Allegiance.

2. STATEMENT (JUST CAUSE) AND/OR CONSIDERATION OF A REQUEST TO PARTICIPATE REMOTELY (EMERGENCY CIRCUMSTANCES) BY A COMMISSIONER, IF APPLICABLE

None.

3. AGENDA REVIEW

Chair Whitburn welcomed new Commissioner Supervisor Paloma Aguirre and thanked Supervisor Jim Desmond for his service on LAFCO.

Chair Whitburn asked Executive Officer Simonds if there were any requests to remove or rearrange items on the agenda. Executive Officer Simonds stated no changes to the agenda were needed while also noting the late distribution of supplemental correspondence involving Agenda Items 6c and 7a.

4. PUBLIC COMMENT AND OPPORTUNITY FOR PUBLIC TO REQUEST DISCUSSION ON CONSENT ITEMS

Chair Whitburn invited anyone from the public to address the Commission on a matter not directly related to an agenda item. The Commission Clerk confirmed there were no registered speakers and no live e-mail comments.

5. CONSENT ITEMS

Item 5a
Approval of Meeting Minutes for June 2, 2025
Item presented to approve draft action minutes prepared for the Commission's June 2, 2025 meeting. Recommendation to approve.

Item 5b
Commission Ratification | Recorded Payments for May and June 2025
Item presented to ratify recorded payments made and received by the Executive Officer for the months of May and June 2025. Recommendation to ratify.

Item 5c
Approval of Independent Audit Expense for 2024-2025
Item presented to consider approval of an independent audit expense of $12,950 with Davis Farr, LLP for financial statement auditing services covering the 2024-2025 fiscal year. The proposed one-year audit services contract with Davis Farr is intended to serve as a bridge arrangement allowing LAFCO to proceed with a planned competitive bidding process later this year to establish a multi-year contract beginning with fiscal year 2025-2026 consistent with the adopted workplan. Recommendation to approve.

Item 5d
2025-2026 Workplan Status
Item presented to receive a first update on the adopted 2025-2026 workplan. Item reports 10 of the 30 special projects are substantively underway with the majority focusing on high-priority items carried over from the previous fiscal year. Status updates on all 30 projects are provided. Recommendation to receive and file.

CONSENT ITEMS CONTINUED…

Item 5e
Report on Applicant Proposals
The Commission will receive a status report on active applicant proposals and requests currently on file as well as anticipated filings based on ongoing discussions with proponents. Information only.

Item 5f
Notice of Administrative Approval |
"Goodwin–Pine Valley Improvement Club Out-of-Agency Wastewater Services" with the San Diego County Sanitation District (OAS25-13)
Item presented to receive notice of an administrative approval by the Executive Officer authorizing San Diego County Sanitation District to provide out-of-agency wastewater services to an unincorporated property at 28890 Old Highway 80 (APN 410-120-07) arising from the existing septic system's proximity to a non-conforming well on-site. Approval is termed on the landowner submitting an annexation proposal within one year. The project is exempt from further environmental review under California Environmental Quality Act Guidelines Section 15269(c). Information only.

Item 5g
Proposed "Balazs-Artesian Breeze Way Change of Organization" |
Annexation to Rancho Santa Fe CSD and Related Actions (CO25-07)
Item presented to consider a change of organization proposal initiated by landowner petition to annex 2.4 acres to the Rancho Santa Fe Community Services District (CSD). The affected territory as submitted consists of one undeveloped parcel located within the unincorporated community of Del Sur and lies entirely within the agency's existing sphere of influence (APN 267-147-06). The purpose of the proposal is to make public wastewater service available to the affected territory to accommodate the planned development of a single-family residence; other CSD services – including security and underground utilities – are not part of the proposal. Staff recommended conditional approval of the proposal as submitted without modifications. It is also recommended the Commission waive protest proceedings and find the project exempt under State CEQA Guidelines Section 15319.

Item 5h
Report on Recent Committee Meeting |
Special Districts Advisory Committee's July 18, 2025 Meeting
Item presented to receive a report on the most recent meeting of its Special Districts Advisory Committee held on July 18th. The report is in the form of draft minutes and presented consistent with a request by Commissioner MacKenzie. Information only.

Item 5i
Legislative Report (information)
Item presented to receive an update on active legislation relevant to the agency's regulatory and planning responsibilities. Information only.

CONSENT ITEMS CONTINUED…

Chair Whitburn invited comments from the public. The Commission Clerk confirmed there were no registered speakers (audience or remote) or live e-mail comments.

**

Commissioner MacKenzie motioned with a second from Commissioner Anderson to approve the consent calendar with staff recommendations (Alternative One) as presented.

Roll call requested:

AYES:	Aguirre, Anderson, Becker, Browning (voting), MacKenzie, Whitburn, White, & Willis
NOES:	None
ABSENT:	Montgomery Steppe & von Wilpert
ABSTAINING:	None

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

6. PUBLIC HEARING ITEMS |
COMMISSIONER DISCLOSURE OF EX PARTE COMMUNICATIONS

Item 6a
Appointment of a Public Member and Other Possible Actions
Item presented to revisit consideration of filling the vacant Regular Public Member seat with a term extending through April 2029. The item is placed on the agenda at the request of Vice Chair Willis for the specific purpose of reconsidering an unsuccessful motion from the June 2nd meeting to appoint Brigette Browning to the regular seat and fill the resulting alternate seat vacancy with Eileen Delaney.

Chair Whitburn invited disclosures from Commissioners on material ex parte communications. No disclosures were reported.

Vice Chair Willis addressed the item.

Chair Whitburn opened the hearing and invited public comments from the following registered speakers with stated positions to the staff recommendation noted in parenthesis:

- Michelle Krug (support)
- Alisha Morrison (support)

PUBLIC HEARING ITEMS CONTINUED…

Item 6a Continued…

* Both speakers provided support for appointing Brigette Browning as the regular public member.

The Commission Clerk confirmed there were no other registered speakers and no live e-mail comments.

Chair Whitburn proceeded to invite questions and/or comments from the Commissioners.

Commissioner Aguirre expressed support in appointing Brigette Browning as the regular public member.

The Chair proceeded to close the hearing.

**

Commissioner Willis motioned with a second from Commissioner Becker to appoint Brigette Browning as the regular public member and Eileen Delaney as the alternate public member.

Roll call requested:

AYES:	Aguirre, Anderson, Becker, Browning, MacKenzie, Whitburn, White, & Willis
NOES:	None
ABSENT:	Montgomery Steppe & von Wilpert
ABSTAINING:	None

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

The Executive Officer proceeded to administer the Oath of Office for Eileen Delaney.

Item 6b
Proposed "Nakano Development Project Reorganization" |
Annexation to the City of San Diego with Concurrent Detachment from City of Chula Vista and Otay Water District with Related Actions (RO25-08)
Item presented to consider a reorganization proposal initiated by resolution of the City of San Diego as part of a negotiated boundary change with the City of Chula Vista. The principal request involved annexing approximately 23.8 acres to San Diego with concurrent detachments from Chula Vista and the Otay Water District. The affected territory consists of one undeveloped legal parcel located along the southern boundary of Chula Vista immediately north of San Diego near the I-805 crossing at Palm Avenue (624-071-02). The reorganization's purpose is to facilitate a planned 221-unit residential subdivision ("Nakano") that has been entitled by both municipalities with San Diego …

PUBLIC HEARING ITEMS CONTINUED…

Item 6b Continued…
identified as the preferred service provider due to Chula Vista's access limitations. Staff recommends conditional approval of the proposal as submitted with conforming sphere of influence amendments for all three affected agencies. Staff further recommends the Commission waive protest proceedings and Policy L-106 (municipal service reviews) as well as adopt findings paralleling the EIR adopted by Chula Vista.

Chair Whitburn invited disclosures from Commissioners on material ex parte communications. No disclosures were reported.

Local Government Analyst II Peters provided the staff presentation.

Chair Whitburn proceeded to open the hearing and invited comments from the public. The Commission Clerk confirmed there were no registered speakers (audience or remote) or live e-mail comments.

Chair Whitburn proceeded to invite questions and comments from the Commissioners.

Commissioner McCann noted the City of Chula is in support.

The Chair proceeded to close the hearing.

**

Commissioner Willis motioned with a second from Commissioner Becker to approve the staff recommendation (Alternative One) as listed in the agenda report.

Roll call requested:

AYES:	Aguirre, Anderson, Becker, Browning, MacKenzie, Whitburn, White, & Willis
NOES:	None
ABSENT:	Montgomery Steppe & von Wilpert
ABSTAINING:	None

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

Item 6c
Proposed "Valiano – Eden Hills LLC Project: Out-of-Agency Wastewater Services" and Related Actions | City of Escondido (OAS19-26)
Item presented to consider the first of two requested approvals associated with the planned 243-unit "Valiano" residential development in the Harmony Grove unincorporated community. The first request is to authorize the City of Escondido to extend out-of-agency

PUBLIC HEARING ITEMS CONTINUED…

Item 6c Continued…
wastewater service covering the entire 239.0-acre project site. Staff recommends approval of the request along with conforming sphere of influence amendments to the City of Escondido (addition) and City of San Marcos (removal). Staff also recommends the Commission apply standard approval conditions except for the otherwise standard practice of requiring the landowner to submit an annexation proposal based on local conditions as detailed. Staff further recommends the Commission waive Policy L-106 and adopt parallel findings to the EIR adopted by the County of San Diego in approving the underlying development project.

* The second request involves a reorganization involving an approximate 10 acre portion of the affected territory to detach from the Rancho Santa Fe Fire Protection District (FPD) and concurrently annex to the San FPD. This second request will be taken up by the Commission at a future meeting with new noticing.

Chair Whitburn invited disclosures from Commissioners on material ex parte communications. Commissioners White, Drake, Willis, and Becker reported speaking to Chris Brown, Government Affairs Consultant.

Executive Officer Simonds noted supplemental correspondence from Rincon del Diablo Municipal Water District (MWD) and provided background on the item. Local Government Analyst II Peters provided the staff presentation.

Chair Whitburn proceeded to open the hearing and invited comments from the public. The Commission Clerk confirmed there were no registered speakers (audience or remote) or live e-mail comments.

Chair Whitburn proceeded to invite questions and comments from the Commissioners.

Commissioner Drake stated that Rincon del Diablo MWD supports the staff recommendation but noted the relationship between the District and the affected territory. He added that the District would support the development and the City by offering an alternative arrangement.

Vice Chair Willis requested staff to follow up with Rincon del Diablo MWD's concerns.

The Chair proceeded to close the hearing and made a motion to approve.

**

Commissioner Whitburn motioned with a second from Commissioner White to approve the staff recommendation (Alternative One) as listed in the agenda report.

PUBLIC HEARING ITEMS CONTINUED…

Item 6c Continued…

Roll call requested:

AYES:	Aguirre, Anderson, Becker, Browning, MacKenzie, Whitburn, White, & Willis
NOES:	None
ABSENT:	Montgomery Steppe & von Wilpert
ABSTAINING:	None

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

7. BUSINESS ITEMS

Item 7a
Outside Audit Report on Fiscal Year 2023-2024
Item presented to receive an outside audit report on the financial statements for fiscal year 2023-2024. The audit has been performed by O'Connor & Company (Novato) and concludes all tested transactions were accompanied by sufficient documentation and no material weaknesses were identified. The audit report and accompanying management letter are presented to the Commission for formal acceptance and filing and to provide direction to staff on related matters moving forward.

Executive Officer Simonds provided the staff presentation and noted supplemental correspondence involving LAFCO's current fund balance.

Chair Whitburn invited comments from the public. The Commission Clerk confirmed there were no registered speakers (audience or remote) or live e-mail comments.

Chair Whitburn proceeded to invite questions and comments from the Commissioners.

Commissioner Willis inquired about LAFCO's reserves. Executive Officer Simonds stated LAFCO's spendable reserve fund balance is $1.708 million.

**

Commissioner Aguirre motioned with a second from Commissioner White to approve the staff recommendation (Alternative One) as listed in the agenda report.

Roll call requested:

AYES:	Aguirre, Anderson, Becker, Browning, MacKenzie, Whitburn, White, & Willis
NOES:	None
ABSENT:	Montgomery Steppe & von Wilpert

PUBLIC HEARING ITEMS CONTINUED…

Item 7a Continued…

ABSTAINING: None

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

Item 7b
Proposed "450 and 452 Bear Valley Parkway Out-of-Agency Wastewater Services" | City of Escondido (OAS24-16)
Item presented to consider a request from the City of Escondido to extend out-of-agency wastewater service to an unincorporated 0.6-acre parcel located entirely within the agency's sphere of influence. The affected territory is currently developed with two single-family residences – each assigned its own street address at 450 and 452 Bear Valley Parkway (APN 239-060-05). The request relates to a prior administrative approval granted by the Executive Officer in August 2021 authorizing a wastewater connection to the original residence at 450 Bear Valley Parkway. This request seeks authorization of out-of-agency wastewater service to a new second single-family residence (SFR) at 452 Bear Valley Parkway to facilitate a pending Senate Bill 9 lot split. Staff recommends approval of the request and related service allowances to accommodate ADU's for both SFRs. Staff further recommends the Commission forgo the practiced condition requiring the landowner to submit an annexation proposal based on local conditions. A categorical exemption from environmental review is also recommended pursuant to the CEQA.

Local Government Analyst I Traynor provided the staff presentation.

Chair Whitburn invited comments from the public. The Commission Clerk confirmed there were no registered speakers (audience or remote) or live e-mail comments.

Chair Whitburn proceeded to invite questions and comments from Commissioners. No discussion.

**

Commissioner White motioned with a second from Commissioner Willis to approve the staff recommendation (Alternative One) as listed in the agenda report.

Roll call requested:

AYES:	Anderson, Becker, Browning (voting), Desmond, MacKenzie, Whitburn, White, & Willis
NOES:	None
ABSENT:	McCann & von Wilpert
ABSTAINING:	None

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

BUSINESS ITEMS CONTINUED…

Item 7c
Update on High Priority Project |
Municipal Service Review on the San Diego Association of Governments
Item presented to receive an update on its scheduled municipal service review of the San Diego Association of Governments (SANDAG) – one of 10 high-priority projects included in the approved work plan. This item is being provided consistent with earlier Commission direction to receive regular updates on the status of high-priority projects during the administrative process and in doing so help ensure the scope of work and planned deliverables align with Commission expectations. The update is for information with an opportunity to provide feedback to staff with the current expectation of delivering a complete draft report as early as April 2026.

Local Government Analyst I Traynor and LAFCO Consultant Bill Fulton provided the staff presentation.

Chair Whitburn invited comments from the public. The Commission Clerk confirmed there were no registered speakers (audience or remote) or live e-mail comments.

Chair Whitburn proceeded to invite questions and comments from the Commissioners.

Commissioner Anderson expressed interest in SANDAG's tolling service and the distribution and application of TransNet funds.

Commissioner Delaney agreed with Commissioner Anderson and stated a voting member from the unincorporated area is important and currently underrepresented.

8. EXECUTIVE OFFICER REPORT

None.

9. COMMISSIONER ANNOUNCEMENTS & REQUESTS FOR FUTURE ITEMS

None.

10. CLOSED SESSION

a) **Conference with Legal Counsel – Existing Litigation:**
Government Code section 54956.9(d)(1)
Case name: *City of San Diego v. San Diego County LAFCO et al*
(San Diego Superior Court Case No. 25CU031043C).

Chair Whitburn invited public comments from the following registered speaker:

CLOSED SESSION ITEM CONTINUED…

Item 10a Continued…

- Paula de Sousa, Best Best & Krieger, on behalf of the Association for the City of La Jolla

The Commission Clerk confirmed there were no other registered speakers and no live e-mail comments. Chair Whitburn then adjourned the meeting into close session.

In returning from closed session, Commission Counsel Holly Whatley reported a unanimous vote of 8-0 to provide direction to staff to defend the lawsuit as identified on the agenda.

The eight affirmative votes to defend the lawsuit were from the following members of the Commission: Chair Whitburn, Vice Chair Willis, and Commissioners Aguirre, Anderson, Becker, MacKenzie, White & Browning.

11. ADJOURNMENT TO NEXT MEETING

With no further business, Chair Whitburn adjourned the meeting at 9:51 a.m.

I hereby attest the minutes above accurately reflect the deliberations of the Commission at its August 4, 2025 meeting.

ATTEST,

Erica Sellen
Commission Clerk

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5b

AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Erica Sellen, Commission Clerk

SUBJECT: **Commission Ratification |**
Recorded Payments for July and August 2025

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a financial report covering transactions for July and August 2025. The report documents $438,216 in total distributions authorized by the Executive Officer and $2,143,352 in payments received, primarily from collecting agency apportionment payments. Expenditure highlights include approximately three-fourths of payments going to the County of San Diego for payroll reimbursements, general overhead, and information technology charges. The remaining expenditures were primarily for professional services with detailed consultant costs itemized in the report. Staff recommends the Commission ratify these payments with the option to pull the item for discussion if needed.

BACKGROUND

Accounting Policies

San Diego LAFCO's policies require the Executive Officer to maintain appropriate accounting controls for all Commission financial transactions. The policies establish spending allowances and mandate competitive bidding for transactions between $10,000 and

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

$124,999, unless waived due to unique circumstances. Transactions of $125,000 or more require formal Commission approval.

DISCUSSION

This item seeks San Diego LAFCO's ratification of all payments made and received by the Executive Officer during July and August 2025. Detailed transaction listings are provided in Attachment One (July) and Attachment Two (August). The item also provides an opportunity for the Commission to pull it for discussion and offer feedback on potential modifications to purchasing practices and accounting procedures.

ANALYSIS

San Diego LAFCO recorded $438,216 in payments made by the Executive Officer during July and August 2025 with 78% - $340,919 - going to the County of San Diego. These County payments include payroll reimbursements for five pay periods, general overhead charges, and information technology services. Most remaining expenses involved professional services with all consultant charges detailed in Appendix A. All expenditures are consistent with the adopted budget. Revenues collected totaled $2,143,352 and primarily from local agency apportionment payments along with several new application filing fees.

RECOMMENDATION

It is recommended that San Diego LAFCO ratify the payments made and received by the Executive Officer for July and August 2025 as presented. This recommendation is consistent with Alternative One in the preceding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Ratify the recorded payments received and made by the Executive Officer for July and August 2025 as shown in Attachments One and Two.

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

Alternative Three
Take no action.[1]

1 Payment ratifications are not required under LAFCO policy but are presented to the Commission per practice.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of the Executive Officer:

Erica Sellen
Commission Clerk

Appendix:

A) Consultant Expenses in July and August 2025

Attachments:

1) Transactions in July 2025
2) Transactions in August 2025

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Appendix A
Consultant Expenses

Executive Officer Contracts

July and August 2025

Consultant	Projects	July + August	Total FY
ADW Consulting LLC (Adam Wilson)	General Liaison, CWA-MET MSR, HCD MSR, Carlsbad-Encinitas MSR, RCD 2.0 Working Group	$10,350.00	$10,350.00
Arena Public Affairs, LLC (Patrick Bouteller)	General Liaison, SANDAG MSR, CWA-MET MSR, Homeless Governance WP, Legislative	$0.00	$0.00
Christine O'Rourke	Climate + EJ Analysis, Proposals and MSR Work	$0.00	$0.00
Michael Stein	Fire-EMS-Ambulance Services Analysis, Proposals and MSR Work	$3,800.00	$3,800.00
Kennedy Water Consulting, LLC (Tom Kennedy)	Utilities Analysis, Proposals and MSR Work	$8,387.50	$8,387.50
Progressive Healthcare, Inc. (Rick Buchsbaum)	HCD MSR	$0.00	$0.00
William Fulton Group (Bill Fulton)	SANDAG MSR	$7,500.00	$7,500.00
Michael Haneman	CWA-MET MSR	$0.00	$0.00
Technical Assistance Collaborative (Douglas Tetrault)	Homeless Governance WP	$0.00	$0.00
TOTAL		$30,037.50	$30,037.50

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SAN DIEGO LAFCO
Expenses by Vendor Detail
July 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Ace Parking						
	7/18/2025	52530 · Office Lease	1,125.00	Monthly Parking Rent	electronic	1000 · County Account (44595)
	7/18/2025	52530 · Office Lease	50.00	Parking Validations	electronic	1000 · County Account (44595)
			1,175.00			
E | After Effects (Adobe)						
	7/23/2025	52270 · Memberships	19.99	Monthly Adobe DC Pro Upgrade	debit card	3558 · SDCCU Checking
E | Alaska Airlines						
	7/7/2025	52622 · Training/Registration Out-County	388.60	Airfare to Sacramento | AB 356 (AW)	credit card	3558-60 · SDCCU Visa Credit Card
	7/25/2025	52622 · Training/Registration Out-County	281.60	Airfare to Santa Rosa | 2025 CSDA Clerks Conference (ES)	credit card	3558-60 · SDCCU Visa Credit Card
			670.20			
E | Amazon						
	7/25/2025	52344 · Stores Unallocated	115.28	General Office Supplies	credit card	3558-60 · SDCCU Visa Credit Card
E | Ambius						
	7/29/2025	52344 · Stores Unallocated	460.28	Monthly Service for Office Plants	check	3558 · SDCCU Checking
E | Assura Software						
	7/17/2025	52074 · Telecommunications	750.00	Website Hosting Support Services	electronic	1000 · County Account (44595)
E | AT&T Mobilty						
	7/29/2025	52074 · Telecommunications	573.30	Monthly Cell Phone | LAFCO Staff	check	3558 · SDCCU Checking
E | Canva						
	7/7/2025	52270 · Memberships	30.00	Monthly Subscription	credit card	3558-60 · SDCCU Visa Credit Card
E | Corodata						
	7/29/2025	52330 · Office Expense	60.45	Monthly Document Storage	check	3558 · SDCCU Checking
E | County of San Diego						
	7/1/2025	52354 · Mail/Postage ISF	524.36	Mail/Postage Services	electronic	1000 · County Account (44595)
	7/1/2025	52178 · Vehicle Maintenance	143.20	Vehicle Maintenance Services	electronic	1000 · County Account (44595)
	7/1/2025	52182 · Vehicle Fuel	0.00	Vehicle Fuel	electronic	1000 · County Account (44595)
	7/1/2025	52758 · Vehicle Lease	165.47	Vehicle Lease	electronic	1000 · County Account (44595)
	7/1/2025	52721 et al. · Communications (IT) Services	6,773.50	County IT Services (ITRACK)	electronic	1000 · County Account (44595)
	7/3/2025	51110 et al. · Employee Payroll	59,709.69	Payroll | Pay Period 2026-01	electronic	1000 · County Account (44595)
	7/18/2025	51110 et al. · Employee Payroll	57,989.49	Payroll | Pay Period 2026-02	electronic	1000 · County Account (44595)
			125,305.71			
E | CSDA San Diego Chapter						
	7/27/2025	52622 · Training/Registration Out-County	1,150.00	Registration | 2025 Clerks Conference (ES)	debit card	3558 · SDCCU Checking
	7/30/2025	52270 · Memberships	250.00	FY25-26 Membership Renewal (San Diego Chapter)	debit card	3558 · SDCCU Checking
			1,400.00			
E | Dieu Ngu						
	7/29/2025	52610 · Non-Travel/In-County	142.66	Reimbursement | ESRI Conference Expenses	check	3558 · SDCCU Checking
E | Fax Plus						
	7/8/2025	52330 · Office Expense	9.26	Monthly Fax Machine Payment	debit card	3558 · SDCCU Checking
E | Mnemonic Coffee						
	7/2/2025	52330 · Office Expense	25.00	AEO Special Expense (AV)	credit card	3558-60 · SDCCU Visa Credit Card
E | News Library						
	7/22/2025	52270 · Memberships	25.95	SD Tribune Archives Monthly Service	debit card	3558 · SDCCU Checking
E | QuickBooks						
	7/3/2025	52330 · Office Expense	115.00	Monthly Service for Online QuickBooks	credit card	3558-60 · SDCCU Visa Credit Card
E | Ready Refresh Water						
	7/9/2025	52330 · Office Expense	71.95	Monthly Water Services	credit card	3558-60 · SDCCU Visa Credit Card
E | San Diego Union Tribune						
	7/29/2025	52490 · Publications	2,518.88	PHN | Public Member (English & Spanish)	check	3558 · SDCCU Checking
E | SDCCU						
	7/31/2025	52304 · Miscellaneous	8.00	Account Service Charge	electronic	3558 · SDCCU Checking
E | Talitha Coffee						
	7/16/2025	52330 · Office Expense	16.10	EO Special Expense	credit card	3558-60 · SDCCU Visa Credit Card
E | The Voice of San Diego						
	7/24/2025	52330 · Office Expense	184.36	Annual Newspaper Subscription	debit card	3558 · SDCCU Checking

SAN DIEGO LAFCO
Expenses by Vendor Detail
July 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | YouTube						
	7/6/2025	52270 · Memberships	22.99	Monthly Streaming Support Services	debit card	3558 · SDCCU Checking
EXPENSE TOTAL			133,700.36			
R | Bowles						
	7/31/2025	46234 · Applications	1,921.50	Processing Fees (OAS25-14)	check	3558 · SDCCU Checking
R | County of San Diego						
	7/31/2025	45918 · LAFCO Apportionment	1,391,623.84	LAFCO Apportionment FY25-26	electronic	1000 · County Account (44595)
	7/31/2025	49200 · Interest & Dividends	78.18	Interest Payment to Account 46725	electronic	1001 · Committed - Stabilization (min. balance of $250k)
	7/31/2025	49200 · Interest & Dividends	120.48	Interest Payment to Account 46726	electronic	1002 · Committed - Opportunity (min. balance of $300k)
	7/31/2025	49200 · Interest & Dividends	157.91	Interest Payment to Account 46727	electronic	1003 · Assigned - Executive Officer (up to $125k)
			1,391,980.41			
R | Pine Valley Improvement Club						
	7/31/2025	46234 · Applications	480.40	Processing Fees (OAS25-13)	check	3558 · SDCCU Checking
R | Shen						
	7/31/2025	46234 · Applications	2,642.06	Processing Fees (RO24-08)	check	3558 · SDCCU Checking
REVENUE TOTAL			1,397,024.37			

SAN DIEGO LAFCO
Expenses by Vendor Detail
August 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Ace Parking						
	8/7/2025	52610 · Non-Travel/In-County	12.00	AEO Grand Jury Parking	credit card	3558-60 · SDCCU Visa Credit Card
	8/22/2025	52530 · Office Lease	1,125.00	Monthly Parking Rent	electronic	1000 · County Account (44595)
	8/22/2025	52530 · Office Lease	52.00	Parking Validations	electronic	1000 · County Account (44595)
			1,189.00			
E | A Delight of France						
	8/31/2025	52610 · Non-Travel/In-County	90.19	Carlsbad MSR Briefing (EO, AEO, AII, and TK)	debit card	3558 · SDCCU Checking
E | ADW Consulting LLC						
	8/25/2025	52370.F · Professional Services	10,350.00	Consultant Services | Intergovernmental	electronic	1000 · County Account (44595)
E | After Effects (Adobe)						
	8/15/2025	52270 · Memberships	19.99	Monthly Adobe DC Pro Upgrade	debit card	3558 · SDCCU Checking
E | Amazon						
	8/1/2025	52566 · Minor Equipment	348.03	Camera Equipment	credit card	3558-60 · SDCCU Visa Credit Card
	8/12/2025	52330 · Office Expense	40.00	EO Special Expense (JB)	credit card	3558-60 · SDCCU Visa Credit Card
	8/20/2025	52344 · Stores Unallocated	285.23	General Office Supplies	credit card	3558-60 · SDCCU Visa Credit Card
			673.26			
E | Ambius						
	8/19/2025	52344 · Stores Unallocated	460.28	Monthly Service for Office Plants	check	3558 · SDCCU Checking
E | ARCC (Assessor Recording County)						
	8/6/2025	52490 · Publications	50.00	NOE Fee | Goodwin-Pine Valley Improvement Club (OAS25-13)	check	3558 · SDCCU Checking
	8/6/2025	52490 · Publications	50.00	NOE Fee | 450 & 452 Bear Valley Parkway (OAS25-16)	check	3558 · SDCCU Checking
	8/6/2025	52490 · Publications	50.00	NOE Fee | Balazs-Artesian Breeze Way (CO25-07)	check	3558 · SDCCU Checking
	8/6/2025	52490 · Publications	50.00	NOE Fee | Nakano Development Project (RO25-08)	check	3558 · SDCCU Checking
	8/6/2025	52490 · Publications	50.00	NOD Fee | Nakano Development Project (RO25-08)	check	3558 · SDCCU Checking
	8/6/2025	52490 · Publications	50.00	NOE Fee | Valiano-Eden Hills Project (OAS19-26)	check	3558 · SDCCU Checking
	8/6/2025	52490 · Publications	50.00	NOD Fee | Valiano-Eden Hills Project (OAS19-26)	check	3558 · SDCCU Checking
			350.00			
E | Assura Software						
	8/8/2025	52074 · Telecommunications	750.00	Website Hosting Support Services	electronic	1000 · County Account (44595)
E | Canva						
	8/7/2025	52270 · Memberships	30.00	Monthly Subscription	credit card	3558-60 · SDCCU Visa Credit Card
E | Chase Design Inc						
	8/25/2025	52334 · Printing	10,000.00	Deposit | Logo & Website Design	electronic	1000 · County Account (44595)
E | Chili's						
	8/31/2025	52610 · Non-Travel/In-County	50.08	EO Briefing with Commissioner (JM)	debit card	3558 · SDCCU Checking
E | Claim Jumper						
	8/4/2025	52610 · Non-Travel/In-County	151.99	Debriefing (EO, AEO, Counsel, and Consultants)	debit card	3558 · SDCCU Checking
E | Colantuono, Highsmith & Whatley						
	8/22/2025	52370.B · Professional Services	781.81	Commission Counsel Services	electronic	1000 · County Account (44595)
	8/27/2025	52370.B · Professional Services	14,372.90	Commission Counsel Services | Litigation	electronic	1000 · County Account (44595)
			15,154.71			
E | County of San Diego						
	8/1/2025	52354 · Mail/Postage ISF	564.20	Mail/Postage Services	electronic	1000 · County Account (44595)
	8/1/2025	52178 · Vehicle Maintenance	146.89	Vehicle Maintenance Services	electronic	1000 · County Account (44595)
	8/1/2025	52182 · Vehicle Fuel	27.57	Vehicle Fuel	electronic	1000 · County Account (44595)
	8/1/2025	52758 · Vehicle Lease	165.49	Vehicle Lease	electronic	1000 · County Account (44595)
	8/1/2025	52721 et al. · Communications (IT) Services	8,213.91	County IT Services (ITRACK)	electronic	1000 · County Account (44595)
	8/1/2025	52504 · Equipment Rental	1.57	County Surcharge | Xerox	electronic	1000 · County Account (44595)
	8/1/2025	51110 et al. · Employee Payroll	59,179.07	Payroll | Pay Period 2026-03	electronic	1000 · County Account (44595)
	8/15/2025	51110 et al. · Employee Payroll	73,544.90	Payroll | Pay Period 2026-04	electronic	1000 · County Account (44595)
	8/29/2025	51110 et al. · Employee Payroll	53,184.70	Payroll | Pay Period 2026-05	electronic	1000 · County Account (44595)
	8/31/2025	52270 · Memberships	5,399.91	SanGIS	electronic	1000 · County Account (44595)
	8/31/2025	52550.B · County Overhead Costs	15,173.05	A-87 1st Quarter	electronic	1000 · County Account (44595)
	8/31/2025	52550.B · County Overhead Costs	11.64	County Surcharge | A-87 1st Quarter	electronic	1000 · County Account (44595)
			215,612.90			
E | CSDA San Diego Chapter						
	8/5/2025	52610 · Non-Travel/In-County	80.00	Quarterly Dinner Meeting Registration (MP)	debit card	3558 · SDCCU Checking

SAN DIEGO LAFCO
Expenses by Vendor Detail
August 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Fax Plus						
	8/8/2025	52330 · Office Expense	9.26	Monthly Fax Machine Payment	debit card	3558 · SDCCU Checking
E | House of Noa						
	8/12/2025	52330 · Office Expense	260.42	EO Special Expense (JB)	credit card	3558-60 · SDCCU Visa Credit Card
E | Instagram						
	8/7/2025	52074 · Telecommunications	140.00	Posts Boost	credit card	3558-60 · SDCCU Visa Credit Card
E | Kennedy Water Consulting LLC						
	8/22/2025	52370.F · Professional Services	8,387.50	Consultant Services | Utilities	electronic	1000 · County Account (44595)
E | Lazy Dog						
	8/3/2025	52610 · Non-Travel/In-County	96.95	Vice Chair Briefing (EO, AEO, and AII)	credit card	3558-60 · SDCCU Visa Credit Card
E | Los Angeles Times						
	8/18/2025	52330 · Office Expense	97.76	Annual Digital Newspaper Subscription	debit card	3558 · SDCCU Checking
E | Manchester Financial 5th Ave LP						
	8/1/2025	52530 · Office Lease	12,431.72	Office & Storage Rent	electronic	1000 · County Account (44595)
	8/25/2025	52530 · Office Lease	12,413.72	Office & Storage Rent	electronic	1000 · County Account (44595)
			24,845.44			
E | Michael Stein						
	8/22/2025	52370.F · Professional Services	3,800.00	Consultant Services | Fire	electronic	1000 · County Account (44595)
E | News Library						
	8/20/2025	52270 · Memberships	25.95	SD Tribune Archives Monthly Service	debit card	3558 · SDCCU Checking
E | QuickBooks						
	8/3/2025	52330 · Office Expense	115.00	Monthly Service for Online QuickBooks	credit card	3558-60 · SDCCU Visa Credit Card
E | Ready Refresh Water						
	8/20/2025	52330 · Office Expense	71.95	Monthly Water Services	credit card	3558-60 · SDCCU Visa Credit Card
E | San Diego Union Tribune						
	8/19/2025	52490 · Publications	3,195.05	PHNs | RO25-08 & OAS19-26	check	3558 · SDCCU Checking
E | Starbucks						
	8/4/2025	52330 · Office Expense	44.00	Commission Meeting Refreshments	credit card	3558-60 · SDCCU Visa Credit Card
E | Talitha Coffee						
	8/29/2025	52330 · Office Expense	24.15	EO Special Expense (PM)	debit card	3558 · SDCCU Checking
E | The Market Place						
	8/24/2025	52610 · Non-Travel/In-County	72.54	Quarterly Rapport Lunch	debit card	3558 · SDCCU Checking
E | Throw-It						
	8/22/2025	52610 · Non-Travel/In-County	420.00	Quarterly Rapport Activity	credit card	3558-60 · SDCCU Visa Credit Card
E | Voice of San Diego						
	8/15/2025	52610 · Non-Travel/In-County	130.00	Registration | Politifest 2025 (MP & MT)	credit card	3558-60 · SDCCU Visa Credit Card
E | William Fulton Group						
	8/25/2025	52370.F · Professional Services	7,500.00	Consultant Services | Planning	electronic	1000 · County Account (44595)
E | WP Engine						
	8/15/2025	52370.E · Professional Services	59.00	Mpnthly Web Hosting	debit card	3558 · SDCCU Checking
E | Xerox						
	8/13/2025	52504 · Equipment Rental	235.05	Xerox Rental	electronic	1000 · County Account (44595)
E | YouTube						
	8/11/2025	52270 · Memberships	22.99	Monthly Streaming Support Services	debit card	3558 · SDCCU Checking
EXPENSE TOTAL			304,515.41			

SAN DIEGO LAFCO
Expenses by Vendor Detail
August 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
R | Biermann						
	8/27/2025	52490 · Publications	100.00	Recording Fees (RO24-17)	check	3558 · SDCCU Checking
	8/27/2025	52490 · Publications	300.00	SBE Fees (RO24-17)	check	3558 · SDCCU Checking
			400.00			
R | County of San Diego						
	8/31/2025	45918 · LAFCO Apportionment	742,264.26	LAFCO Apportionment FY25-26	electronic	1000 · County Account (44595)
	8/31/2025	49200 · Interest & Dividends	47.87	Interest Payment to Account 46725	electronic	1001 · Committed - Stabilization (min. balance of $250k)
	8/31/2025	49200 · Interest & Dividends	73.79	Interest Payment to Account 46726	electronic	1002 · Committed - Opportunity (min. balance of $300k)
	8/31/2025	49200 · Interest & Dividends	96.71	Interest Payment to Account 46727	electronic	1003 · Assigned - Executive Officer (up to $125k)
			742,482.63			
R | Pine Vally Improvement Club						
	8/27/2025	52490 · Publications	50.00	Recording Fees (OAS25-13)	check	3558 · SDCCU Checking
R | The Eden Hills Project Owner, LLC						
	8/27/2025	52490 · Publications	100.00	Recording Fees (OAS19-26)	check	3558 · SDCCU Checking
	8/27/2025	52490 · Publications	1,645.82	PHN Fees (OAS19-26)	check	3558 · SDCCU Checking
			1,745.82			
R | Tri Pointe Homes						
	8/27/2025	52490 · Publications	100.00	Recording Fees (RO25-08)	check	3558 · SDCCU Checking
	8/27/2025	52490 · Publications	1,549.23	PHN Fees (RO25-08)	check	3558 · SDCCU Checking
			1,649.23			
REVENUE TOTAL			746,327.68			

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AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Erica Sellen, Commission Clerk

SUBJECT: **4th Quarter Budget Report for 2024-2025 | Close of the Fiscal Year and Corrective Amendments**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will review a report comparing budgeted and actual transactions through the fourth quarter as part of the administrative close of the fiscal year. The report details the Commission finished June 30th with an overall net balance of ($121,839) or (4.4%). The shortfall largely ties to additional professional service costs involving two high-priority projects as detailed. The report is being presented to the Commission to accept and file as well as approve close-of-year budget amendments to ensure all expense units finish with authorized balances.

BACKGROUND

San Diego LAFCO's adopted budget for 2024-2025 totals $2.912 million in matching expenses and revenues. The operating portion of the adopted budget totals $2.428 million in costs and $2.399 million in revenues with the difference covered by drawing down on unrestricted reserves. LAFCO's unrestricted fund balance at the start of the fiscal year totals $1.708 million with $0.833 million involving unassigned monies.

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
www.sdlafco.org
lafco@sdcounty.ca.gov

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt, County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann, Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, General Public

DISCUSSION

This item presents San Diego LAFCO with a budget-to-actual comparison of expenses and revenues as part of the administrative close of fiscal year 2024-2025 and in preparation for the outside audit review. The comparison is detailed in Attachment One and provides the Commission an opportunity to review expense and revenue trends relative to recent years and provide follow-up direction to staff as needed. The report is presented for the Commission to formally accept and file along with approving correcting amendments for accounting purposes to ensure all budget units conclude the fiscal year with authorized amounts. Additional discussion follows.

Operating Budget

LAFCO's adopted operating budget for 2024-2025 to support day-to-day activities – including 8.0 full-time positions – totals $2,428,138 in expenses and $2,399,098 in revenues, resulting in a planned shortfall of ($29,040) to be covered by reserves. Operating actuals through the end of the year produced an overall shortfall of ($121,839) or (4.8%). The overall shortfall largely ties to an overspend of ($252,791) or (57.6%) in professional services, primarily attributed to two high-priority items and their associated expenses: (a) using outside counsel to assist in negotiating a memorandum of understanding with the Port of San Diego and (b) bearing the full contract costs of an outside consultant's two-year work during the fiscal year on the municipal service review of wholesale water service providers. The overall shortfall was reduced to ($121,839) due to higher-than-expected revenues collected during the fiscal year.

Non-Operating Budget

LAFCO's adopted non-operating budget for 2024-2025 totals $484,000 in expenses and $513,000 in revenues, with the latter amount including the planned use of reserves to cover – among other items – the aforementioned planned deficit in the operating budget. Non-operating actuals largely tied to transacting State grants and through the end of the year produced an overall savings with revenues exceeding expenses by $3,478 or 1.5%.

Correcting Amendments

Amendments are needed to ensure all operating expense units finish with authorized balances for accounting purposes. Two related amendments are accordingly proposed to (a) increase the budgeted expense covering professional services to match actuals and (b) increase use of reserves to offset the overall shortfall.

ANALYSIS

San Diego LAFCO finished 2024-2025 with an overall shortfall of (4.4%). Despite the shortfall, LAFCO successfully concluded the fiscal year with strategic investments in critical regional planning initiatives while maintaining strong fiscal discipline and healthy reserves. This includes strategic investment above budget in professional services for high-priority regional planning initiatives that was offset by higher-than-expected revenue collection. Personnel costs demonstrated fiscal discipline by finishing under budget while LAFCO maintained a healthy fund balance reserve of $1.523 million - equivalent to three-fifths of actual costs.

RECOMMENDATION

It is recommended San Diego LAFCO accept and file the final quarterly budget report for 2024-2025 and approve the correcting amendment as proposed. This recommendation is consistent with Alternative One outlined below.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO through a single motion:

Alternative One (recommended):

(a) Accept and file the quarterly report as presented.

(b) Approve amendments to the budget to concurrently increase the operating expense line for Account No. 52370 (Professional Services) to match actuals at $698,558 and increase the non-operating revenue line for Account No. 47540 (Reserves) to cover the shortfall of $121,839.

Alternative Two:
Continue to a future meeting and provide direction to staff as needed.

PROCEDURES

This item has been placed on the agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

1) 2024-2025 Budget with Actuals Through June 30, 2025

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San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

EXPENSES		FY2023-2024 Adopted	Amended	Actuals	FY2024-2025 Adopted	Actuals 6/30/2025	% Balance	$ Balance
Salaries and Benefits Unit								
51110-51310	Salaries and Per Diems	891,455	742,955	715,861	898,906	892,617	0.99	6,289
51410	Retirement - SDCERA	318,295	318,295	303,876	350,146	352,251	1.01	(2,105)
51415	Retirement - OPEB	10,273	10,273	8,779	10,196	9,047	0.89	1,149
51450	Payroll Taxes	64,840	64,840	51,279	65,044	63,697	0.98	1,347
51510-51550	Group Insurance	150,033	150,033	96,389	143,481	115,039	0.80	28,442
51560	Unemployment Insurance	1,000	1,000	258	1,000	362	0.36	638
		1,435,895	1,287,395	1,176,442	1,468,773	1,433,013	0.98	35,760
Services and Supplies Unit								-
52074	Communications	43,824	43,824	37,385	42,299	40,596	0.96	1,703
52138	General Liability Insurance	12,737	12,737	14,194	14,194	15,599	1.10	(1,405)
52178	Vehicle - Maintenance	980	980	2,580	1,000	1,814	1.81	(814)
52182	Vehicle - Fuel	500	500	539	500	490	0.98	10
52270	Memberships	28,994	28,994	23,077	38,736	25,467	0.66	13,268
52304	Miscellaneous	50	50	30	50	18	0.36	32
52330	Office: General Support	8,211	8,211	9,636	12,380	11,066	0.89	1,314
52332	Office: Postage USPS	250	250	314	250	495	1.98	(245)
52334	Office: Design + Printing	22,500	22,500	17,211	23,000	11,958	0.52	11,042
52336	Office: Books and Guidelines	-	-	-	-	132	-	(132)
52338	Office: Drafting/Engineering	-	-	-	-	-	-	-
52344	Office: Supplies and Furnishings	14,600	14,600	8,348	12,100	13,783	1.14	(1,683)
52354	Office: County Mail Services	10,000	10,000	12,401	10,000	7,817	0.78	2,183
52370	Professional Services	296,170	444,670	518,671	445,767	698,558	1.57	(252,791)
52490	Publications and Legal Notices	8,150	8,150	11,221	8,500	21,142	2.49	(12,642)
52504	Leases: Equipment	6,600	6,600	3,955	4,500	3,335	0.74	1,165
52530	Leases: Office Space	144,743	144,743	149,217	154,308	157,167	1.02	(2,859)
52550	Special Expenses: County Overhead	40,000	40,000	32,366	33,000	57,293	1.74	(24,293)
52562	Special Expenses: New Hire Checks	-	-	198	-	215		(215)
52566	Special Expenses: Minor Equipment	-	-	413	-	3,699		(3,699)
52602	Computer Training	-	-	-	-	-	-	-
52610	Travel and Training | In County	2,700	2,700	5,930	2,700	14,193	5.26	(11,493)
52612	Employee Auto	8,700	8,700	8,201	8,700	11,068	1.27	(2,368)
52622	Travel and Training | Out of County	15,050	15,050	18,038	15,050	23,771	1.58	(8,721)
52721	IT Reimbursements: Network	20,000	20,000	15,553	18,000	18,193	1.01	(193)
52723	IT Reimbursements: Data Center	33,000	33,000	24,254	30,000	12,504	0.42	17,496
52725+28	IT Reimbursements: Financial Systems	35,000	35,000	23,984	25,000	18,083	0.72	6,917
52732	IT Reimbursements: Desktop Computing	28,000	28,000	26,759	30,000	26,744	0.89	3,256
52734	IT Reimbursements: Help Desk	2,331	2,331	1,632	2,331	1,608	0.69	723
52750	IT Reimbursements: Catalog Equipment	40,000	40,000	5,498	25,000	6,389	0.26	18,611
52758	Fleet Reimbursements: Vehicle Lease	2,000	2,000	1,986	2,000	1,986	0.99	14
		825,091	973,591	973,591	959,364	1,205,183	1.26	(245,819)
								-
	OPERATING EXEPENSE TOTAL	2,260,986	2,260,986	2,150,033	2,428,138	2,638,196	1.09	(210,059)

EXPENSES CONTINUED...

		FY2023-2024			FY2024-2025			
		Adopted	Amended	Actuals	Adopted Final	Actuals 6/30/2025	% Balance	$ Balance
Non Operating Unit								
51421	Debt Service: OPEB Obligation Bonds	34,092	34,092	30,780	34,092	33,591	0.99	501
53585	Equipment Depreciation	-	-	-	-	-	-	-
TBD	Grant Award Payments	450,000	450,000	150,462	450,000	198,478	-	251,522
54955-54961	Fixed Assets	-	-	-	-	-	-	-
		484,092	484,092	181,242	484,092	232,069	0.479	252,023
	EXPENSE TOTALS	2,745,078	2,745,078	2,331,275	**2,912,230**	**2,870,265**	**0.99**	**41,965**

REVENUES

		FY2023-2024			FY2024-2025			
		Adopted	Amended	Estimate	Adopted Final	Actuals 6/30/2025	% Balance	$ Balance
Intergovernmental Unit								
45918.1	Apportionments | County	581,074	581,074	581,074	623,997	623,997	1.00	-
45918.2	Apportionments | Cities (less SD)	581,074	581,074	581,074	623,997	623,997	1.00	-
45918.3	Apportionments | City of San Diego	290,639	290,639	290,639	312,108	312,108	1.00	-
45918.4	Apportionments | Special Districts	581,074	581,074	581,074	623,997	734,786	1.18	(110,789)
		2,033,861	2,033,861	2,033,861	2,184,098	2,294,887	1.05	(110,789)
								-
Service Charges Unit								-
46234	Application Fees	200,000	200,000	194,596	200,000	212,386	1.06	(12,386)
		200,000	200,000	194,596	200,000	212,386	1.06	(12,386)
Earnings Unit								-
44105	Interest and Dividends	15,000	15,000	19,321	15,000	9,084	0.61	5,916
		15,000	15,000	19,321	15,000	9,084	0.61	5,916
	OPERATING REVENUE TOTAL	2,248,861	2,248,861	2,247,777	2,399,098	2,516,357	1.05	(117,259)
								-
Non-Operating Unit								-
TBD	Grant Awards	450,000	450,000	68,882	450,000	172,415	-	277,585
47540	Transfer from Fund Balance	46,218	46,218	46,218	63,132	63,132	-	(0)
		496,218	496,218	115,100	513,132	235,547	-	277,584
								-
	REVENUE TOTALS	2,745,079	2,745,079	2,362,877	**2,912,230**	**2,751,904**	**0.94**	**160,325**
OPERATING NET				97,744		(121,839)		
TOTAL NET				31,602	-	(118,361)		

LAFCO FUND BALANCE
(unrestricted)

Committed		
… Stabilization	500,000	500,000
… Opportunity	250,000	250,000
Assigned by EO	125,000	100,000
Unassigned	832,948	672,977
	1,707,948	1,522,977

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AGENDA REPORT
Consent | Action

October 6, 2025

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Erica Sellen, Commission Clerk

SUBJECT: **Proposed Fund Balance Designations for 2025-2026**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will conduct its annual review of fund balance designations for the new fiscal year as required by policy. As of July 1, 2025, the total spendable cash fund balance totals $1,671,791. Staff proposes the Commission maintain the same fund balance designations as the preceding fiscal year with one exception: releasing $100,000 from committed funds to unassigned funds. This adjustment will ensure the agency meets its minimum fund balance benchmark of maintaining at least 33% of operating costs in unassigned funds. Staff recommends approval.

BACKGROUND

Policies on the Fund Balance

San Diego LAFCO's Fiscal Policy No. 101 establishes responsibilities for uniform fund balance reporting consistent with Government Accounting Standards Board Statement 54 ("GASB 54"). The policy includes discretionary standards for managing fund balances to ensure LAFCO meets its statutory requirements for planning and regulating local agency boundaries and service areas in San Diego County. Compliance requires an annual review and designation of spendable fund balances as of the start of each fiscal year, following these standards:

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
www.sdlafco.org
lafco@sdcounty.ca.gov

Paloma Aguirre, County of San Diego
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Committed Monies:
These monies are divided between stabilization and opportunity uses and are subject to first satisfying the minimum reserve requirement. Stabilization funds are used to absorb unexpected costs or revenue shortfalls. Opportunity funds support long-term efficiencies and cost savings.[1] Commission approval is required to access committed monies.

Assigned Monies:
These monies are available to the Executive Officer at their discretion to cover special legal services, applicant fee reductions and/or waivers, and costs necessary to advance high-priority projects under the adopted work plan. These monies are subject to first satisfying the minimum reserve requirement and cannot exceed $125,000.[2]

Unassigned Monies:
These monies serve as all-purpose reserves and must equal at least 33.3% of budgeted operating expenses. The Commission shall limit unassigned monies to no more than six months or 50.0% of budgeted operating expenses. Commission approval is required to access unassigned monies.

DISCUSSION

This item directs San Diego LAFCO to perform its annual review and make discretionary designations for the spendable portion of the fund balance totaling $1,671,791 for fiscal year 2025-2026. This review is based on the Executive Officer's attesting all fund balance monies are currently spendable and not subject to external constraints or designated purposes. The proposed designations for the current fiscal year are as follows:

- **Committed Monies:**
  Reduce from $750,000 to $650,000 by decreasing the stabilization subcategory from $250,000 to $150,000. The opportunity subcategory would remain at $500,000.

- **Assigned Monies:**
  Maintain at $100,000.

- **Unassigned Monies:**
  Set at $921,791, representing 34% of current budgeted operating costs.

ANALYSIS

San Diego LAFCO remains in good financial condition with a healthy fund balance of $1,671,791 at the start of the new fiscal year. This balance ensures sufficient unassigned funds are available for cash-flow purposes and meets the policy requirement of maintaining at least four months of budgeted operating costs in reserves.

[1] Committed monies for stabilization and opportunity uses are deposited with the County Treasurer's Office in dedicated accounts.
[2] Assigned monies can be accessed by the Executive Officer to cover authorized expenses by transferring funds from the fund balance into the operating budget, ensuring other budgeted expenses remain funded.

While LAFCO maintains overall financial health, recent fiscal trends warrant attention. LAFCO's practice of using fund balance reserves to offset member agency apportionments in recent years, combined with rising operating costs, is reducing fiscal flexibility. This dynamic is reflected in the current proposal to release $100,000 from committed funds to ensure the unassigned balance meets its policy threshold. Accordingly, while the agency's financial position remains sound, these trends suggest the need for strategic planning in the upcoming budget cycle and consideration of whether to adjust its funding approach by either: (1) allowing more operating costs to be passed through to member agencies via apportionments, or (2) reassessing the minimum fund balance thresholds.

RECOMMENDATION

It is recommended San Diego LAFCO approve the proposed fund balance designations for 2025-2026 and amendments consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Approve fund balance designations in 2024-2025 as follows:

a) Designate $500,000 in committed – opportunity monies.
b) Designate $150,000 in committed – stabilization monies.
c) Designate $100,000 in assigned monies.
d) Designate all remaining monies as unassigned.

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

1) Fund Balance Designations: Past and Proposed

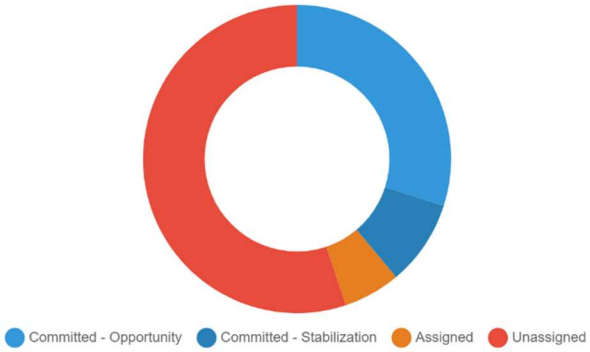
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LAFCO Fund Balance FY Designations

Total Spendable Fund Balance

$1,671,791

As of July 1, 2025



Committed Monies

$650,000

Subject to Commission approval. Divided between stabilization and opportunity uses.

Opportunity	$500,000	No Change
Stabilization	$150,000	-$100K

Assigned Monies

$100,000

Available to Executive Officer for special legal services, fee reductions/waivers, and high-priority projects.

Maintained at Current Level

Unassigned Monies

$921,791

All-purpose reserves serving as cash flow buffer. Must equal at least 33.3% of operating expenses.

Current Level: 34.3% of Operating Budget

FY2023 Approved

$1,547,565

Committed - Opportunity	$500,000
Committed - Stabilization	$250,000
Assigned	$62,500
Unassigned	$735,065

35.9% of Operating Budget

FY2024 Approved

$1,637,356

Committed - Opportunity	$500,000
Committed - Stabilization	$250,000
Assigned	$125,000
Unassigned	$762,356

33.7% of Operating Budget

FY2025 Approved

$1,732,010

Committed - Opportunity	$500,000
Committed - Stabilization	$250,000
Assigned	$100,000
Unassigned	$882,010

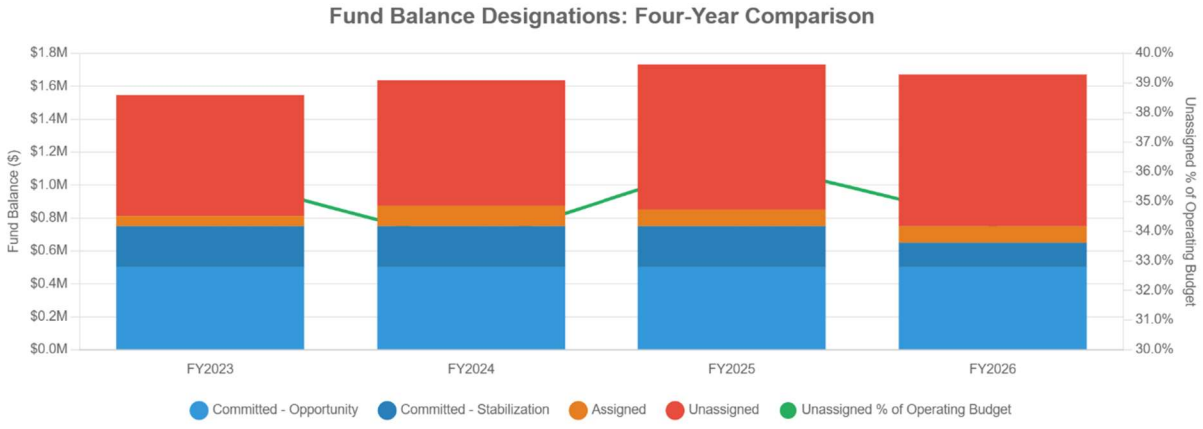
36.3% of Operating Budget

FY2026 Proposed

$1,671,791

Committed - Opportunity	$500,000
Committed - Stabilization	$150,000
Assigned	$100,000
Unassigned	$921,791

34.3% of Operating Budget



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AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Michaela Peters, Local Government Analyst II

SUBJECT: **Proposed "Miller & Hall – Vulcan Avenue Change of Organization" | Annexation to Leucadia Wastewater District (CO25-10)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a change of organization proposal initiated by resolution of the Leucadia Wastewater District (WD) on behalf of interested landowners. The proposal seeks approval to annex 0.22 incorporated acres within the City of Encinitas to Leucadia WD. The affected territory comprises one developed parcel located entirely within Leucadia WD's sphere of influence. The purpose of the proposal is to establish public wastewater service to support an existing single-family residence currently served by an on-site septic system and accommodate the planned construction of an accessory dwelling unit (ADU). Staff recommends conditional approval with a modification to expand the affected territory – as a boundary enhancement – to include an adjacent 0.01-acre parcel comprising the driveway serving the existing residence. Staff also recommends the Commission waive protest proceedings and make exemption findings under the California Environmental Quality Act as detailed.

BACKGROUND

Applicant Request

San Diego LAFCO has received a change of organization proposal initiated by resolution of the Leucadia WD on behalf of interested landowners (Caryn Hall & Robert Miller) requesting

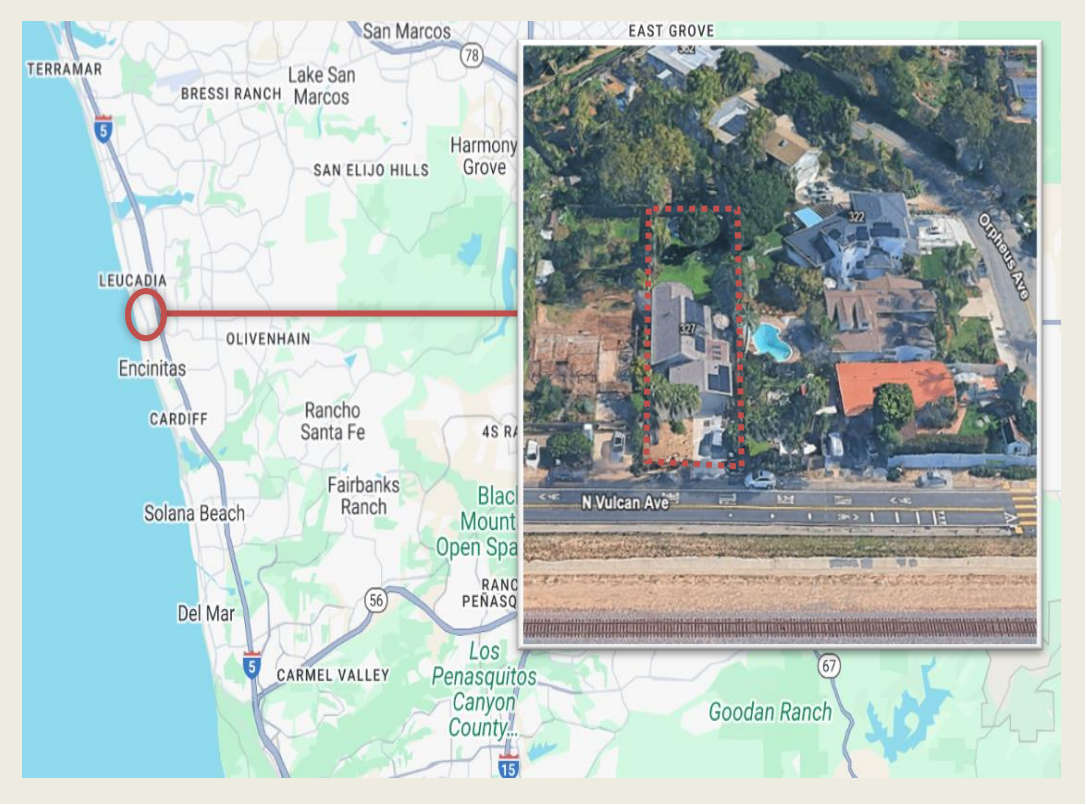
Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

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Eileen Delaney, Alt., General Public

approval to annex 0.22 acres within the City of Encinitas to the Leucadia WD. The affected territory as submitted comprises one entire legal parcel presently developed with a 2,500 square-foot single-family residence. The County of San Diego Assessor's office identifies the subject parcel as 256-300-40 with a situs address of 327 North Vulcan Avenue. The subject parcel lies entirely within the existing sphere of influence for Leucadia WD.

Regional Setting

The affected territory is located within the City of Encinitas in its largely residential "Leucadia" neighborhood, west of Interstate 5 and along the North Coast Highway 101 Corridor. Principal access is provided by Vulcan Avenue. The subject parcel lies within County Supervisorial District No. 3 (Terra Lawson-Remer), Assembly District No. 77 (Tasha Boerner), and Senate District No. 38 (Catherine Blakespear). An aerial map of the affected territory and its regional setting follows with a more detailed map – including the existing parcel and relationship to Leucadia WD's jurisdiction – is provided as Attachment One.



Google Earth

Subject Agencies

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

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

- **Leucadia WD** is an independent special district formed in 1959. The current jurisdictional boundary spans approximately 9,600 acres (15 square miles), covering equal parts of the Cities of Carlsbad (north) and Encinitas (south) with a projected service population of 62,146. Leucadia WD provides two municipal services: wastewater (collection, treatment, and discharge) and recycled water (wholesale and retail) with the latter category limited to the Omni La Costa Resort. Through its membership in the Encina Joint Powers Authority, Leucadia WD co-owns the Encina Water Pollution Control Facility (EWPCF) in Carlsbad, controlling approximately 20% of its capacity. Treated secondary effluent from EWPCF is returned to Leucadia WD's filtration facility for tertiary treatment and sold for landscape irrigation at Omni La Costa. LAFCO last updated Leucadia WD's sphere of influence in 2013, affirming a larger-than-agency designation to include 547 non-jurisdictional acres. As of June 30, 2024, Leucadia WD reported a total audited net position of $151.7 million with $25.9 million in unrestricted funds. The net position reflects a 3.6% increase over the past three audited years. The ending cash balance as of July 1, 2024 totals $7.024 million.

Affected Local Agencies

The affected territory presently lies within the jurisdictional boundaries and/or spheres of influence of eight 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.[2]

- City of Encinitas
- County Service Area No. 17 (San Dieguito Ambulance Transport)
- County Service Area No. 135 (Regional Communications)
- Leucadia Wastewater District (sphere only)
- Metropolitan Water District of Southern California
- North County Transit District
- San Diego County Water Authority
- San Dieguito Water 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:

- Encinitas Union School District
- San Dieguito Union High School District
- Mira Costa Community College District

[2] 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 was provided to the agencies.

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the proposed change of organization to annex the affected territory to Leucadia WD for the purpose of establishing wastewater services. The Commission may also consider applying approval conditions provided they do not directly regulate land use, property development, or subdivision requirements. Additional discussion follows.

Proposal Purpose

The purpose of the proposed change of organization before San Diego LAFCO is to establish public wastewater service to the affected territory to support an existing single-family residence and facilitate the planned development of an ADU. The timing of the proposal aligns with the landowner's interest in developing an ADU that would otherwise be prohibited due to limitations with the existing septic system. The proposal is consistent with the land use designation and zoning regulations of the City of Encinitas. Submittal of the proposal follows the Leucadia WD Board of Directors' adoption of a resolution of application requesting LAFCO consideration and approval.[3]

Current and Planned Land Uses

The affected territory lies within the City of Encinitas and is subject to the City's land use authority and adopted policies with specific development standards governed by its North 101 Corridor Specific Plan. Encinitas designates the affected territory as Residential 8 (N-R8) within a Coastal Overlay Zone, which allows single-family detached homes at a maximum density of eight units per acre and requires a minimum lot size of 5,400 square feet or 0.124 acres. This latter requirement precludes any additional density based on the subject parcel's total size (0.22 acres). Additional intensity is contemplated under Encinitas zoning, with each developed single-family residential parcel eligible for one accessory dwelling unit. Projects within the Coastal Overlay Zone require a Coastal Development Permit (CDP) under the Encinitas Municipal Code. On February 10, 2025, the City issued a CDP for this project, authorizing the construction of a detached ADU (Permit No. BLDR-032805-2024). The approved ADU will include two bedrooms and a total floor area of 798 square feet.

ANALYSIS

San Diego LAFCO's current sphere of influence designation for Leucadia WD includes the affected territory and can readily accommodate the proposed annexation. This narrows the analysis of the proposed change of organization to the stand-alone merits of (a) the timing of the boundary change and (b) whether discretionary modifications or terms are appropriate. The Commission must also consider (c) other relevant statutes within and outside LAFCO law. Staff analysis of these three items follows.

[3] No other municipal service establishments are proposed given the affected territory is presently located within the City of Encinitas and accordingly receives a range of public services therein, including community planning, fire, police, roads, and parks. The affected territory also lies within the San Dieguito Water District and currently receives domestic retail water service.

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.[4] Applicable local policies prompted for consideration are headlined by L-107 and attention to disclosing and/or addressing any known or perceived jurisdictional disputes.

An analysis of these two related timing factors follows.

- Timing Factor No. 1:
  Baseline Considerations: Regional Policies + Service Relationships

  State law prescribes the mandatory consideration of certain 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, and registered voter counts – to discretionary analyses. This latter category is highlighted by evaluating the proposed jurisdictional change's 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, specifically relative to (a) service needs, (b) service availability and capacities, and (c) related financial considerations, follows.

  - With respect to **service needs**, the annexation of the affected territory to Leucadia WD would represent a modest and orderly expansion of the agency and its wastewater services. Annexation supports a planned and approved development while also serving as a preferred alternative to operating one or more on-site septic systems. The Commission has previously contemplated and affirmed this need by including the affected territory within Leucadia WD's sphere of influence, and annexation memorializes this expectation. It also accommodates the expressed interest of the current landowners to establish public wastewater service as evidenced by their request to Leucadia WD to initiate LAFCO proceedings. Collectively, these factors help quantify the need and timing of the proposed change of organization.

  - With respect to **service availability and capacities**, Leucadia WD has available and sufficient wastewater capacities to accommodate the projected demands in the affected territory at its planned and maximum potential use under current zoning. An existing Leucadia WD wastewater main lies approximately 35 feet west of the site within the public right-of-way along Vulcan Avenue and is accessible via a private lateral connection. It is projected that the average daily wastewater flow generated within the affected territory post-annexation will be 258 gallons – divided between the existing single-family residence and the planned ADU.[1] This

[4] 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).

projected amount can be readily accommodated by Leucadia WD and represents 0.0083% of its available treatment capacity remaining within its sewer system.

- With respect to **related financial considerations**, Leucadia WD has adequate financial resources and administrative controls to provide wastewater services to the affected territory in support of its planned development without adversely impacting current ratepayers. The agency's most recent audited statements reflect strong liquidity and capital levels, highlighted by a current ratio of 7:1 and low debt ratio of 4.1%. The agency has also maintained a modest but positive average total margin of 6.8% over the last three fiscal years, indicating revenues have consistently exceeded expenses. Establishing wastewater service is premised on the landowner paying a connection fee of $6,240 to Leucadia WD for each unit (single-family residence plus the ADU). Ongoing service will be subject to annual service charges of approximately $516.96 per EDU for FY 2025-26.

- 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.[5] No jurisdictional disputes have been disclosed by Leucadia WD through the administrative review with LAFCO. Similarly, LAFCO staff has not identified any disputes or related concerns in its administrative review.

CONCLUSION |
MERITS OF CHANGE OF ORGANIZATION TIMING

The timing of the change of organization to annex the affected territory to Leucadia WD for wastewater service is sufficiently warranted. Justification is demonstrated by the preceding analysis and highlighted by the opportunity to utilize existing public infrastructure to make wastewater services available for a planned and orderly housing development. Additional analysis supporting this conclusion is provided in Appendix A.

Potential Modifications and Terms

One modification to the submitted change of organization has been identified by San Diego LAFCO staff meriting Commission consideration. The identified modification would achieve a more orderly boundary by including a 0.01-acre parcel (APN 256-300-39-00) containing the driveway serving the existing residence owned by the same landowners, and in doing so establishing direct connectivity between the District's jurisdictional boundary and the affected territory. Staff also recommends applying standard terms to ensure payment of any charges necessary to complete proposal processing under the LAFCO fee schedule.

[5] The Executive Officer retains discretion to determine the extent of consultation needed.

**CONCLUSION |
MERITS OF MODIFICATIONS AND TERMS**

Staff recommend a modification to include the adjacent 0.01-acre parcel that serves as the driveway to the existing residence. Other 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 Considerations

Exchange of Property Tax Revenues

San Diego LAFCO has confirmed the County of San Diego has adopted a master agreement applicable to govern the tax exchange for the proposed change of organization.[6] The master agreement specifies no transfer of property taxes would occur following the annexation of the affected territory to Leucadia WD given the underlying service – wastewater – is not presently provided.

Environmental Review

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. Accordingly, the Commission is tasked with making findings under CEQA in consideration of the proposed change of organization. Staff analysis follows.

- The City of Encinitas serves as lead agency under CEQA for considering the physical effects of the proposal as part of its discretion to approve the underlying project to develop an accessory dwelling unit. In this role as lead agency, the City made findings – as part of issuing Coastal Development Permit No. BLDR-032805-2024 – that the proposed development qualifies as a project but is exempt from further review under State CEQA Guidelines Section 15303(a). As responsible agency, LAFCO staff has independently reviewed and concurs with the City's findings. The proposed development involves the construction of one accessory dwelling unit within a residential zone and does not exceed the creation of three new residential units set as the benchmark under the referenced exemption.

- LAFCO serves as lead agency for the recommended boundary modification – annexation of APN 256-300-39 (0.01-acre parcel) to the Leucadia WD. Staff believes this action qualifies as a project under CEQA but is categorically exempt from further review under State CEQA Guidelines Section 15319(b) and its cross-reference to Section 15303. This exemption appropriately applies given the associated

[6] 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 involving an annexation and/or detachment 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.

development is within a residential zone and does not exceed the creation of three new residential units.

Protest Proceedings

Protest proceedings for the proposed change of organization may be waived by LAFCO should the Commission proceed with approval under Government Code Section 56662. The waiver appropriately applies under this statute given all of the following: the affected territory as modified is uninhabited as defined under LAFCO law, the subject agency has not filed an objection to the waiver, and the landowners have provided written consent.[7]

RECOMMENDATION

Staff recommends conditional approval of the change of organization proposal with a single modification as detailed 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 with a single modification as detailed. Adoption of the draft resolution as presented includes waiving protest proceedings and making exemption findings 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 as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified.

On behalf of the Executive Officer,

Michaela Peters

Michaela Peters
Analyst II

Appendix:

A) Analysis Proposal Review Factors

Attachments:

1) Vicinity Map of the Affected Territory
2) Draft Resolution of Approval
3) Application Materials

[7] LAFCO law defines uninhabited as territory in which less than 11 registered voters reside.

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 0.22-acre incorporated parcel within the City of Encinitas. The subject parcel is currently developed with a 2,500 square-foot single-family residence with plans to develop an ADU. The affected territory is located at 327 Vulcan Avenue and identified by the County of San Diego Assessor's Office as 356-300-40-00 with a current assessed *land* value of $924,159 with the last transaction recorded in April 2004.

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 City of Encinitas serves as a primary purveyor of general governmental services to the affected territory. These governmental services include community planning, fire and emergency medical services, and law enforcement. One other pertinent service provider is the San Dieguito Water District (potable water). This proposal affects only wastewater and is the focus of the succeeding analysis.

- **Extending Public Wastewater to Affected Territory**
  The affected territory is developed with a single-family served by an onsite septic system. Connection to Leucadia WD's wastewater infrastructure can be achieved through a 35-foot private lateral to the existing sewer main located within the adjacent public right-of-way on Vulcan Avenue. Following the change of organization, the existing residence is projected to generate an average daily wastewater flow of 129 gallons. The projected amount can be readily accommodated by Leucadia WD and represents 0.0042% of their available wastewater treatment capacity. At maximum buildout with the planned ADU, daily flow would double to 258 gallons, representing 0.0126% of available capacity and not considered substantive.

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.

Approval of the proposed change of organization and annexation therein to Leucadia WD would recognize and strengthen existing economic and social ties between the District and the affected territory. These ties were initially established in the 1980's when the Commission

included the subregion containing the affected territory within Leucadia WD's sphere of influence and signaled the lands would eventually warrant public wastewater service from the District when appropriate.

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 annexation to Leucadia WD would facilitate the establishment of public wastewater services to the existing single-family residence and for the planned development of an accessory dwelling unit and in doing so support the City of Encinitas' community planning policies. Similarly, approval would be consistent with the Commission's adopted policies to sync urban uses with urban services. The affected territory does not contain "open space" as defined under LAFCO law and no conflicts exists 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 land 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 change of organization proposal would not adversely affect the physical or economic integrity 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 final 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 provide wastewater services to accommodate an existing single-family residence and planned construction of an ADU 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.

The affected territory is presently designated for single-family residential use under the adopted land use policies of the City of Encinitas. The affected territory is zoned as Residential 8 (N-R8), which prescribes a minimum parcel size of 0.124 acres. The existing and planned residential uses are consistent with the proposal's purpose to provide public wastewater to the affected territory and accommodate for the development of an ADU.

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

The affected territory lies entirely within the existing sphere of influence established for the Leucadia WD.

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 September 29, 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 Leucadia WD has 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.

- Leucadia WD's last audit covers FY 2023-2024 and shows the District finished with strong liquidity levels with an agency-wide current ratio of 6.52 (i.e. $6.52 in current assets for every $1.00 in current liabilities).

- Leucadia WD finished FY 2023-2024 with strong capital levels and highlighted by a low debt ratio of 4.1% (i.e. only $4.10 out of every $100.00 in net assets are financed).

- Leucadia WD finished FY 2023-2024 with an overall total margin of 15.1%.

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

The affected territory's existing residential uses are presently within and connected to the San Dieguito WD for water service. 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 via its online 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 29th percentile. Four specific pollution burden indicators exceed the 50th percentile and are considered noteworthy and otherwise high: diesel particulate matter (PM), pesticides, groundwater threats, and impaired water.

- The affected territory's **composite susceptible population** ranking falls in the 5th percentile. None of the indicators exceed the 50th percentile threshold used in this report to identify high impairments.

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

Census Tract No. 6073017702 Pollution Burdens and Susceptible Population (Source: California Environmental Protection Agency and SD LAFCO)	
	Affected Territory + Surrounding Lands
Census Tract No.	6073017702
Estimated Population	3,627
Pollution Burden	Weighted Percentile
… Percentile	29.2
Indicator | Air Quality: Ozone	32.2
Indicator | Air Quality: PM 2.5	44.1
Indicator | Air Quality: Diesel PM	**71.8**
Indicator |Pesticides	**65.1**
Indicator | Toxic Releases	15.7
Indicator |Traffic	40.1
Indicator | Drinking Water Contaminants	9.0
Indicator | Lead in Housing	27.1
Effects | Cleanup Sites	0.0
Effects | Groundwater Threats	**68.4**
Effects | Hazardous Waste	3.6
Effects | Impaired Water	**72.2**
Effects | Solid Waste	0.0
Sensitive Population	Weighted Percentile
… Percentile	5.3
Population | Asthma	6.9
Population | Low Birth Weight	4.8
Population | Cardiovascular Disease	25.5
Population | Education	27.6
Population | Linguistic Isolation	19.9
Population | Poverty	20.8
Population | Unemployment	15.8
Population | Housing Burden	24.5

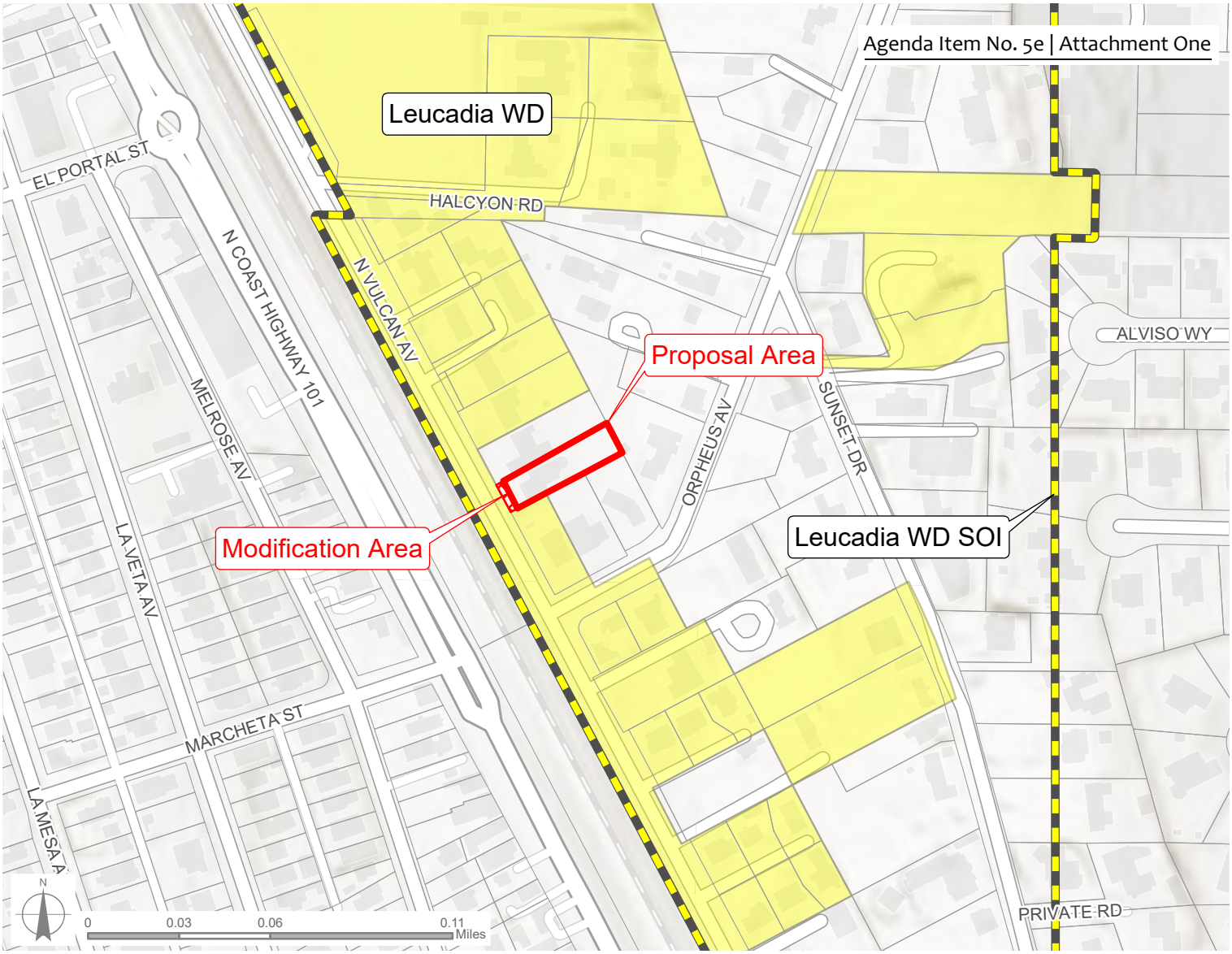
q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone or maps that identify land determined to be in a state responsibility area, if it is determined that such information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

The City of Encinitas – in collaboration with the County of San Diego – have a multi-jurisdictional hazard mitigation plan addressing risks related to wildfire, flooding, and seismic activity. The affected territory is designated a "Low" earthquake hazard zone.

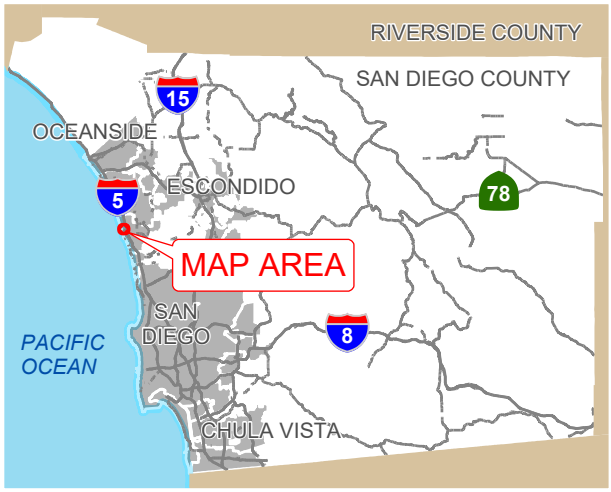
r) Section 56668.3(a)(1) Whether the proposed annexation will be for the interest of the landowners or present or future inhabitants within the district and within the territory proposed to be annex to the district.

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 by providing access to reliable public wastewater service going forward. Approval would also benefit adjacent landowners and/or residents by eliminating the operation of a private septic system and the potential therein for failures.

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CO25-10

"MILLER-HALL - N VULCAN AVENUE CHANGE OF ORGANIZATION" | LEUCADIA WASTEWATER DISTRICT

SOI = Sphere of Influence

- Proposal Area
- Modification Area
- Leucadia WD SOI
- Leucadia WD

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

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Created by Dieu Ngu -- 6/6/2025

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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A CHANGE OF ORGANIZATION

"MILLER & HALL – VULCAN AVENUE CHANGE OF ORGANIZATION"
ANNEXATION TO LEUCADIA WASTEWATER DISTRICT
(LAFCO FILE NO: CO25-10)

WHEREAS, on April 16, 2025, Leucadia Wastewater District filed a resolution 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 annex 0.22 acres of incorporated territory within the City of Encinitas to the Leucadia Wastewater District (WD);

WHEREAS, the affected territory as submitted comprises one incorporated assessor parcel developed with an existing single-family residence and identified by the County of San Diego Assessor's Office as 256-300-40 with an assigned situs of 327 North Vulcan Avenue; and

WHEREAS, an applicable master property tax transfer agreement applies to the proposed change of organization dated December 14, 1982; 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 October 6, 2025;

WHEREAS, the Commission considered all the factors required by law under Government Code Section 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 makes the following finding:

    a) The City of Encinitas serves as lead agency under CEQA for considering the physical effects of the proposal as part of its discretion to approve the underlying project to develop an accessory dwelling unit. In this role as lead agency, the City made findings – as part of the issuance of a Coastal Development Permit (No. BLDR-032805-2024) – the proposed development qualifies as a project but is exempt from further review under State CEQA Guidelines Section 15303(a). The Commission concurs with the City's findings, and given the associated development proposes the construction of an accessory dwelling unit within a residential zone and does not exceed the creation of three new residential units set as a benchmark under the referenced statute.

    b) The Commission serves as lead agency for the recommended boundary modification – annexation of APN 256-300-39 (0.01-acre parcel) to the Leucadia WD. The Commission finds this action qualifies as a project under CEQA but is categorically exempt from further review under State CEQA Guidelines Section 15319(b) and its cross-reference to Section 15303. This exemption appropriately applies given the associated development is within a residential zone and does not exceed the creation of three new residential units.

4. The Commission CONDITIONALLY APPROVES the change of organization with a discretionary modification and subject to conditions as provided. Approval involves all the following:

    a) The affected territory is modified to include the adjacent 0.01 acre-parcel identified as 256-300-40 comprising the existing residence' driveway along public right-of-way Vulcan Avenue.

    b) Annexation of the affected territory to the Leucadia Wastewater District is shown in "Exhibit A-1" and described in "Exhibit A-2."

5. The Commission CONDITIONS all approvals on the following terms being satisfied by October 6, 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:

- 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.
- A check made payable to the State Board of Equalization for processing fees in the amount of $300.00.

6. The Commission assigns the proposal the following short-term designation:

   "Miller & Hall – Vulcan Avenue Change of Organization".

7. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.

8. The Commission waives conducting authority proceedings under Government Code Section 56662.

9. The Leucadia WD is a registered-voter district.

10. The Leucadia WD utilizes the County of San Diego assessment roll.

11. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the Leucadia WD as provided under Government Section 57328, and will be subject to any previously authorized taxes, benefit assessments, fees or charges of the Leucadia WD as provided under Government Code Section 57330.

12. The effective date of 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.

13. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to the resolution to address any technical defects, errors, irregulates, or omissions.

14. The Executive Officer is hereby authorized and directed to transmit copies of this resolution as provided in Sections 56880-56882 of the Government Code.

15. 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 October 6, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

**

ATTEST:

_____
Keene Simonds
Executive Officer

EXHIBIT A-1
MAP OF AFFECTED TERRITORY

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EXHIBIT A-2
GEOGRAPHIC DESCRIPTION OF THE AFFECTED TERRITORY

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PROPERTY-OWNER CONSENT FORM FOR INCLUSION OF PROPERTY

Note: Processing of jurisdictional boundary change proposals, which involve ***uninhabited***[1] territory, can be expedited by approximately 60 days if all affected landowners consent to the proposal. If you wish to take advantage of this option, please return the completed PROPERTY-OWNER CONSENT FORM FOR INCLUSION OF PROPERTY to San Diego LAFCO with your application for a jurisdictional boundary change. If consenting signatures of ***100%*** of the affected property owners are affixed and LAFCO does not receive any opposition from subject agencies, the Commission may consider the proposal without public notice, public hearing and/or an election.

[1] Territory included within a proposed boundary change that includes less-than12 registered voters is considered ***uninhabited*** (Government Code 56045).

The undersigned owners(s) of property hereby consent(s) to inclusion of that property within a proposed change of organization or reorganization consisting of:

(Please list all proposed actions)

Annexation to: 1. Leucadia Wastewater District

2. _____

3. _____

Detachment from: 1. N/A

2. _____

3. _____

	Date	Signature	Assessor's Parcel Number(s)
1.	3/31/25		256-300-40-00
2.	3/31/25		
3.			
4.			
5.			

Attach additional sheets if necessary

RESOLUTION NO. 2428

A RESOLUTION OF APPLICATION BY THE BOARD OF DIRECTORS OF LEUCADIA WASTEWATER DISTRICT REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TO TAKE PROCEEDINGS FOR THE PROPOSED MILLER & HALL CHANGE OF ORGANIZATION

RESOLVED, by the Board of Directors of the Leucadia Wastewater District, that

WHEREAS, the Board of Directors of the LEUCADIA WASTEWATER DISTRICT (LWD), San Diego County, State of California, desires to initiate proceedings pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Division 3, commencing with Section 56000 of the California Government Code for the proposed Miller & Hall Change of Organization; and

WHEREAS, the proposed Miller & Hall Change of Organization includes annexation of the Miller & Hall territory ***(APN 256-300-40-00)*** to the LWD; and

WHEREAS, the reasons for this proposed Change of Organization are as follows:

1. LWD is empowered to and is engaged in the collection, treatment, and disposal of wastewater and has existing facilities to provide wastewater service to the territory proposed to be annexed.
2. The owners of the territory desire to utilize the LWD facilities.
3. The territory to be annexed is within LWD's Sphere of Influence.

WHEREAS, the territory subject to the proposed Change of Organization is inhabited, and a description of the external boundary of the territory is set forth in Exhibit "A" and a map thereof is set forth in Exhibit "B", both attached hereto and by this reference incorporated herein; and

WHEREAS, LWD requests that the proposed Change of Organization be subject to the following terms and conditions:

1. The annexed property is thereafter subject to capacity fees, sewer service fees, and all other district-wide Ordinances and Resolutions of LWD.

WHEREAS, LAFCO is authorized to approve this proposed Change of Organization without notice or hearing and without an election. If no express effective date is indicated, the effective date of the Change of Organization shall be the date of recordation of the Certificate of Completion and Resolution ordering the change of organization by the County Recorder.

WHEREAS, the staff of LWD has reviewed this proposed Change of Organization under the California Environmental Quality Act (CEQA) and has found it to be categorically exempt from CEQA pursuant to Section 15319 (a) of the California Environmental Quality Act.

NOW, THEREFORE, this Resolution of Application is hereby approved and adopted by the Board of Directors of the LEUCADIA WASTEWATER DISTRICT. The Local Agency Formation Commission of San Diego County is hereby requested to take proceedings for the proposed Change of Organization that includes the territory as described in Exhibit "A" and shown in Exhibit "B", according to the terms and conditions stated above and in a manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

PASSED AND ADOPTED at a Regular meeting of the Board of Directors held on April 9th, 2025 by the following vote:

AYES:	Brown, Pacilio, Sullivan
NOES:	None.
ABSTAIN:	None.
ABSENT:	Saldana, Roesink

FOR
Rolando Saldana, President

ATTEST:
Paul J. Bushee, General Manager
(SEAL)

EXHIBIT "A"

MILLER EXHIBIT

ANNEXATION TO LEUCADIA WASTEWATER DISTRICT

GEOGRAPHIC DESCRIPTION

THE NORTHWESTERLY 50 FEET OF LOT 6, BLOCK "U" OF SEASIDE GARDENS ANNEX, IN THE CITY OF ENCINITAS, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 1801, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 6, 1924, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF SAID LOT 6;

THENCE (1) N61°26'30"E 200.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 6;

THENCE (2) ALONG THE NORTHEAST LINE OF SAID LOT 6 S28°33'30"E 50.00 FEET TO A POINT ON THE NORTHEAST LINE OF SAID LOT 6;

THENCE (3) LEAVING SAID NORTHEAST LINE OF LOT 6 S61°26'30"W 200.00 FEET TO A POINT ON THE SOUTHWEST LINE OF SAID LOT 6, SAID POINT LYING S28°33'30"W 50.00 FEET FROM THE POINT OF BEGINNING;

THENCE (4) ALONG THE SOUTHWEST LINE OF SAID LOT 6 N28°33'30"W 50.00 FEET TO THE POINT OF BEGINNING.

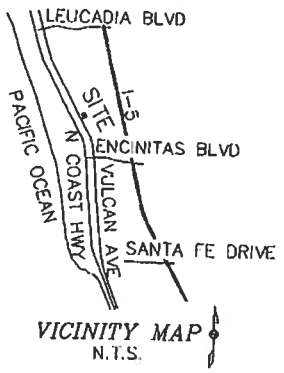
CONTAINS 0.23 ACRES OF LAND, MORE OR LESS.

Digitally signed by William D Tuck
DN: C=US, E=billtuck71@gmail.com, O="Sphere Surveying and Mapping, Inc.", OU=LS 9282, CN=William D Tuck
Date: 2025.03.13 08:13:16-07'00'

WILLIAM D. TUCK, PLS 9282

LICENSED LAND SURVEYOR
WILLIAM D. TUCK
L.S. 9282
STATE OF CALIFORNIA

EXHIBIT "B"
ANNEXATION PLAT



VICINITY MAP
N.T.S.

N.C.T.D. RIGHT-OF-WAY

VULCAN AVENUE

POR LOT 5
A.P.N. 256-300-19

LICENSED LAND SURVEYOR
WILLIAM D. TUCK
L.S. 9282
STATE OF CALIFORNIA

Digitally signed by William D Tuck
DN: C=US, E=billtuck71@gmail.com, O=Sphere Surveying and Mapping Inc., OU=LS 9282, CN=William D Tuck
Date: 2025.03.13 08:17:12-07'00'

A.P.N. 256-300-18

POR LOT 5

POINT OF BEGINNING

(1)

327 N VULCAN AVENUE
A.P.N. 256-300-40
NW'LY 50' LOT 6, BLOCK "U", MAP 1801

(2)

(3)

(4)

A.P.N. 256-300-13

A.P.N. 256-300-16
POR LOT 6

A.P.N. 256-300-15
POR LOT 6

A.P.N. 256-300-14
POR LOT 6

BEARINGS AND DISTANCES SHOWN HEREON ARE PER MAP 1801, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AUGUST 6, 1924.

-10 0 50

LEGEND:

PROPOSED ANNEXATION BOUNDARY

EXISTING LEUCADIA WASTEWATER DISTRICT BOUNDARY

PROPOSED ANNEXATION REGION

WITHIN LWD SPHERE OF INFLUENCE & OUTSIDE LWD

ASSESSOR'S PARCEL NO.	LAFCO RESOLUTION NO.	ACREAGE	DATE	SCALE
256-300-40-00		0.23	3/13/25	1"=30'

LWD ANNEXATION NO._____
BEING A PORTION OF LOT 6, BLOCK "U", MAP 1801.

SPHERE SURVEYING AND MAPPING, INC.
603 SEAGAZE DR. #1086
OCEANSIDE, CA. 92054
(760)803-9107

Docusign Envelope ID: 3BB2C563-82A0-4634-9B9F-6DB7E38C12BE

CITY OF Encinitas
DEVELOPMENT SERVICES DEPARTMENT

NOTICE OF DECISION
Development Services Department

Project Name:	Miller/Hall Detached ADU
Request:	Construct a detached Accessory Dwelling Unit (ADU).
Discretionary Actions:	Coastal Development Permit (CDP)
CEQA Determination:	Exempt
DECISION:	APPROVED
Project/Permit Number:	CDPNF-007589-2024 / BLDR-032805-2024
DSD Number:	2025-20
Address:	329 N Vulcan Avenue
Community:	Old Encinitas
APN:	256-300-40
Applicant:	Robert Miller and Caryn Hall
Representative:	Micah Winkelstein, Murray Lampert Design
Project Planner:	Grant Yamamoto, Contract Assistant Planner, Gyamamoto@encinitasca.gov
Decision Date:	February 10, 2025
Report Approval:	☒Andrew Maynard, Principal Planner

PROJECT DESCRIPTION

The project proposes a coastal development permit to authorize the construction of a new detached accessory dwelling unit (ADU). The ADU is two bedrooms and a total size of 798 square feet.

Docusign Envelope ID: 3BB2C563-82A0-4634-9B9F-6DB7E38C12BE

PROJECT ANALYSIS

Municipal Code Analysis

The project site is located with the N-R8 Zone and within the Coastal Overlay Zone. The proposed ADU complies with all relevant sections of Encinitas Municipal Code (EMC) Section 30.48.040.T (Accessory Dwelling Units) zoning and development standards including setbacks.

Local Coastal Program Consistency

The project site is located in the Coastal Overlay Zone. The project requires a Coastal Development Permit pursuant to Encinitas Municipal Code Section 30.48.040.T.21. (Accessory Dwelling Units, General – Applications). Pursuant to this code section, ADUs that are not completely contained in the existing primary structure, or include increases in habitable area, or include conversion of non-habitable space, are considered self-contained residential units, and require a coastal development permit. The project complies with the Local Coastal Program, including all goals and policies of the General Plan and all N-R8 Zone development standards.

Public Notice

The Notice of Pending Action on the Coastal Development Permit was mailed on November 14, 2024 to all property owners and occupants within 500 feet of the project site and to anyone who requested such notice in writing, in compliance with Encinitas Municipal Code Sections 30.01.070 (Noticed Public Hearings) and 30.80.080 (Coastal Development Permits). Additionally, as a courtesy, the notice was posted at City Hall and on the Development Services Department's Internet site under "Public Notices."

ENVIRONMENTAL CONSIDERATIONS

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, Section 15303 (a) – Class 3 - (New Construction or Conversion of Small Structures) exempts the construction of secondary (accessory) dwelling units in a residential zone from environmental review. The project is consistent with this exemption, as it proposes the construction of an accessory dwelling unit within a residential zone. The project does not qualify as one of the exceptions prescribed under Section 15300.2 of the CEQA Guidelines and no historic resources are affected by the proposed project.

FINDINGS

Based on the findings for a Coastal Development Permit as per Encinitas Municipal Code Section 30.80.090 and the aforementioned analysis the Development Services Department has made the following findings to support the approval, with conditions:

1. **The project is consistent with the certified Local Coastal Program of the City of Encinitas; and**

   The project, as conditioned, complies with all Municipal Code requirements, policies of the General Plan and the Local Coastal Program. The project meets all required N-R8 zoning standards.

Docusign Envelope ID: 3BB2C563-82A0-4634-9B9F-6DB7E38C12BE

2. The proposed development conforms with Public Resources Code Section 21000 and following (CEQA) in that there are no feasible mitigation measures or feasible alternatives available which would substantially lessen any significant adverse impact that the activity may have on the environment; and

The project is exempt from further environmental review pursuant to California Environmental Quality Act (CEQA) Guidelines, Section 15303 (a) – Class 3 (New Construction or Conversion of Small Structures). No exceptions in Section 15300.2 exist.

3. For projects involving development between the sea or other body of water and the nearest public road, approval shall include a specific finding that such development is in conformity with the public access and public recreation policies of Section 30200 et. seq. of the Coastal Act.

The project site is located at 329 North Vulcan Avenue, which is not located between the sea and the first public road. Therefore, the requirements of Section 30200 et. seq. of the Coastal Act does not apply.

CONDITIONS OF APPROVAL

STANDARD CONDITIONS:

CONTACT THE DEVELOPMENT SERVICES DEPARTMENT REGARDING COMPLIANCE WITH THE FOLLOWING CONDITION(S):

A 01 **Approval - General:** At any time after two years from the date of this approval, on **February 10**, **2027** at 5 p.m., or the expiration date of any extension granted in accordance with the Municipal Code, the application shall be deemed expired as of the above date.

A 04 **Approval - General:** This project is conditionally approved as set forth on the application and project drawings, consisting of *5* sheets including *Title Sheet (CS), Site Plan (A0.1), Floor Plan (A2.1), Roof Plan (A4.0),* and Elevations (A5.0) all designated as approved by the *Development Services Director* on ***February 10,* 2025**, and shall not be altered without express authorization by the Development Services Department.

A 08 **Approval - General:** Approval of this request shall not waive compliance with any sections of the Municipal Code and all other applicable City regulations in effect at the time of Building Permit issuance unless specifically waived herein.

ADU 01 **Accessory Dwelling Units:** Prior to Building Permit issuance, a covenant regarding real property shall be recorded regarding the accessory unit providing that compliance with the following conditions shall be maintained: a) The accessory unit is approved for use as a second dwelling unit, accessory to the principal use of the property as a single-family residence. b) The use of the accessory unit shall be incidental, related, appropriate

Docusign Envelope ID: 3BB2C563-82A0-4634-9B9F-6DB7E38C12BE

and clearly subordinate to the single-family residence. c) Sale or ownership of the accessory unit separate from the associated single-family residence is prohibited. d) All required parking for the accessory unit shall be located, constructed, and maintained as approved and shown on the approved plans.

CONDO 01 If you are considering establishing your primary dwelling unit and accessory dwelling unit as a condominium, please ensure that your building permitting agency allows this practice. If you decide to establish your primary dwelling unit and accessory dwelling unit as a condominium, your condominium plan or any future modification to the condominium plan must be recorded with the County Recorder. Prior to recordation or modification of your subdivision map and condominium plan, any lienholder with a lien on your title must provide a form of written consent either on the condominium plan, or on the lienholder's consent form attached to the condominium plan, with text that clearly states that the lender approves recordation of the condominium plan and that you have satisfied their terms and conditions, if any.

In order to secure lender consent, you may be required to follow additional lender requirements, which may include, but are not limited to, one or more of the following:

1. Paying off your current lender. You may pay off your mortgage and any liens through a refinance or a new loan. Be aware that refinancing or using a new loan may result in changes to your interest date or tax basis. Also, be aware that any subsequent modification to your subdivision map or condominium plan must also be consented to by your lender, which consent may be denied.

2. Securing your lender's approval of a modification to their loan collateral due to the change of your current property legal description into one or more condominium parcels.

3. Securing your lender's consent to the details of any construction loan or ground lease.

This may include a copy of the improvement contract entered in good faith with a licensed contractor, evidence that the record owner or ground lessee has the funds to complete the work, and a signed statement made by the record owner or ground lessor that the information in the consent above is true and correct.

HC 01 **Height Certification:** Prior to issuing a final inspection on framing, the applicant shall provide a survey from a licensed surveyor or a registered civil engineer verifying that the building height is in compliance with the approved plans. The height certification/survey shall be supplemented with a copy of the site plan and elevations depicting the exact point(s) of certification to the satisfaction of the Development Services Director. The engineer/surveyor shall contact the Development Services Department to

Docusign Envelope ID: 3BB2C563-82A0-4634-9B9F-6DB7E38C12BE

identify and finalize the exact point(s) to be certified prior to conducting the survey.

I 01 **Indemnification:** To the maximum extent permitted by law, the Owner(s) shall waive any claims of liability against the City, and shall indemnify, hold harmless and defend the City of Encinitas, and its agents, officers and employees from and against any and all actions, claims, damages, liabilities and/or proceedings arising from: (i) the City's approval of any and all entitlements or permits relating to the project; (ii) any injury to or death of any person, or damage or injury of any kind to property which may arise from or be related to the direct or indirect operations of the Owner(s) or its contractors, subcontractors, agents, employees, or other persons acting on the Owner(s)'s behalf relating to the project; and (iii) the operation of the project.

The Owner(s) agree to execute an indemnity agreement provided by the City prior to ***Building Permit issuance*** and the Development Services Director, or designee, is hereby authorized to execute the same. The Owner(s) further agrees that such indemnification and hold harmless shall include all defense related fees and costs associated with the defense of the City by counsel approved by the City. This indemnification shall not terminate upon expiration of the conditions of approval or completion of the project but shall survive in perpetuity.

BUILDING CONDITION(S):

CONTACT THE DEVELOPMENT SERVICES DEPARTMENT REGARDING COMPLIANCE WITH THE FOLLOWING CONDITION(S):

BLDG 02 **Single Family and Duplex:** The applicant shall submit a complete set of construction plans to the Development Services Department for building permit plan check processing. The submittal shall include a Soils/Geotechnical Report, structural calculations, and State Energy compliance documentation (Title 24). Construction plans shall include a site plan, a foundation plan, floor and roof framing plans, floor plan(s), section details, exterior elevations, and materials specifications. Submitted plans must show compliance with the latest adopted editions of the California Building Code (The Uniform Building Code with California Amendments, the California Mechanical, Electrical and Plumbing Codes). These comments are preliminary only. A comprehensive plan check will be completed prior to permit issuance and additional technical code requirements may be identified and changes to the originally submitted plans may be required.

SPV 01 **Solar Photovoltaic Panels:** New single-family dwellings (including detached Accessory Dwelling Units; see CA Title 24, Part 6, Energy Code Section 100.1(b)) shall install a PV system sized according to CA Title 24, Part 6, Energy Code Section 150.1(c).

Docusign Envelope ID: 3BB2C563-82A0-4634-9B9F-6DB7E38C12BE

DISCLOSURES

This notice constitutes a decision of the Development Services Department only for the discretionary entitlement. Additional permits, such as Building and Grading Permits, may be required by the Development Services Department or other City Departments. It is the property owner's and applicant's responsibility to obtain all necessary permits required for the type of project proposed.

In accordance with the provisions of Municipal Code Section 1.12, the decision of the Development Services Department may not be appealed to the City Council. **The action of the Development Services Department <u>may not</u> be appealed to the Coastal Commission.**

SIGNATURE

DocuSigned by:
Andrew Maynard
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ANDREW MAYNARD
PRINCIPAL PLANNER

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AGENDA REPORT
Consent | Information

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Michaela Peters, Analyst II

SUBJECT: **Notice of Administrative Approval | "Iannacone – La Cruz Drive Out-of-Agency Wastewater Services" with City of La Mesa (OAS24-06)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive notice of an administrative approval by the Executive Officer authorizing the City of La Mesa to provide out-of-agency wastewater service to an unincorporated property outside its sphere of influence at 4950 La Cruz Drive. The authorization is limited to an existing single-family residence and is based on documentation of a public health threat arising from a failed septic system. Approval waives the standard condition requiring the landowner to submit an annexation proposal to LAFCO for future processing, given local conditions as detailed. The Executive Officer has determined the project is exempt from further review under the California Environmental Quality Act (CEQA) as detailed. This notice is provided for informational purposes in accordance with adopted Commission policy. The Commission may also pull the item for discussion and provide related feedback.

BACKGROUND

Overseeing Out-of-Agency Services

State statute requires all cities and special districts to request and receive written approval from LAFCOs before providing "out-of-agency" services by contract except for certain limited exemptions. The statute also provides cities and special districts may only be

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann, Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

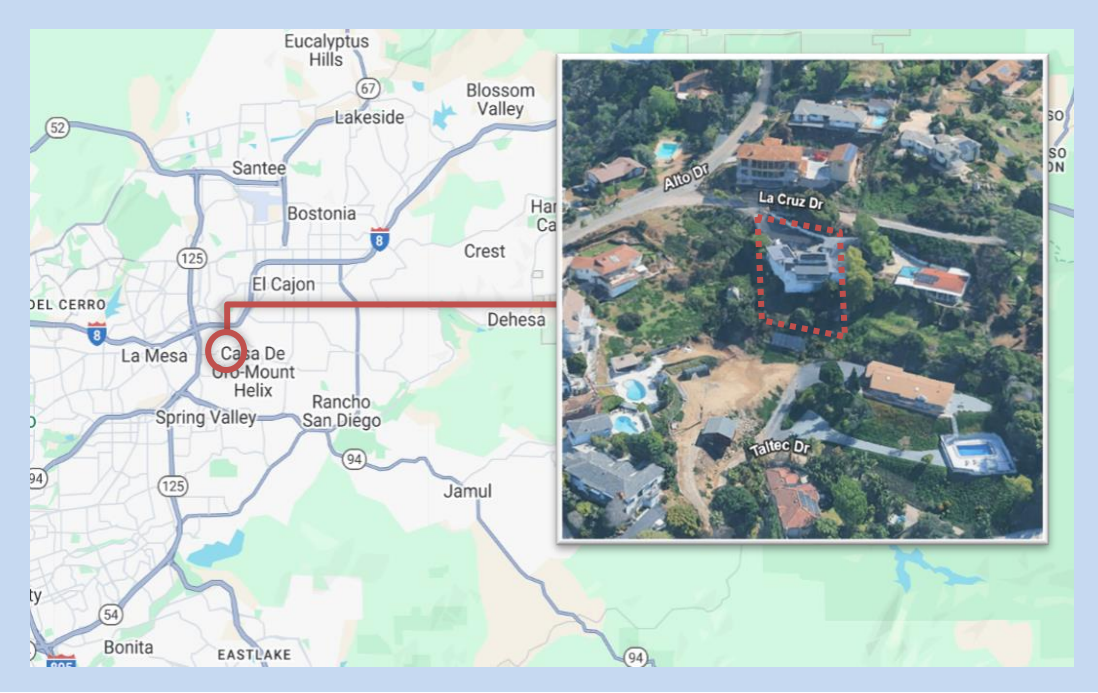
authorized to provide out-of-agency services within their spheres of influence in anticipation of later annexations. If the affected territory lies beyond the spheres, out-of-agency services may only be authorized in response to documented threats to public health and safety.

Delegation to the Executive Officer

San Diego LAFCO's policies authorize the Executive Officer to approve out-of-agency service requests involving water and wastewater in response to documented threats to public health, safety, or welfare. In such cases, the Executive Officer is required to inform the Commission of any administrative approvals at the next available meeting for informational purposes only. All other out-of-agency service requests require Commission approval.

Applicant Request and Administrative Approval

LAFCO received a request from City of La Mesa on behalf of an interested landowners (Tom and Rosario Iannacone) on August 12, 2025 for authorization to provide out-of-agency wastewater service to a single-family residence located at 4950 La Cruz Drive. The affected territory comprises one legal parcel of approximately 0.3 acres developed with a 3,200-square-foot residence and located outside the City's sphere of influence. The subject parcel is identified by the County Assessor as 495-200-07 and shown below.



Google Earth

La Mesa's requested authorization is premised on the failure of the property's existing septic system, which is no longer functional without continuous pumping. Upon receipt of the request, LAFCO staff coordinated with La Mesa and confirmed the agency is readily positioned to extend service utilizing nearby public infrastructure. The estimated average

daily flow is 250 gallons per day and represents 0.7% of the City's existing available capacity. LAFCO staff also consulted with the County's Department of Environmental Health and Quality (DEHQ) and they recommended the out-of-agency service request proceed to mitigate an ongoing threat to public health and safety. DEHQ further advised that replacing the septic system is infeasible due to site constraints and any attempted repairs would likely be costly and non-conforming. Based on these considerations, the Executive Officer issued conditional out-of-agency service approval on September 19, 2025.[1]

DISCUSSION

This item is for San Diego LAFCO to receive notice of the Executive Officer's administrative approval authorizing the City of La Mesa to provide wastewater service outside its jurisdictional boundary to 4950 La Cruz Drive on a contract basis as described above. The Executive Officer's approval and conditions are final under policy. However, and as needed, the Commission is invited to pull the item for discussion to inform future actions.

ANALYSIS

San Diego LAFCO's administrative approval authorizing La Mesa to provide out-of-agency wastewater service to the subject parcel at 4950 La Cruz Drive is consistent with applicable statutes and Commission policies. This includes the Executive Officer's authority to act in response to a reasonably documented and imminent threat to public health and safety, following confirmation of the availability and adequacy of the City's wastewater system. This approval has been conditioned to limit service solely to the existing single-family residence with no accommodation for additional structures.

With respect to other Commission policies and practices, consideration has also been given to require the landowner to file an annexation proposal with LAFCO for future processing in conjunction with expediting the anticipated annexation under statute. Annexation remains the preferred method under LAFCO law and local policy for formalizing the relationship between territory and municipal service provision, unless local conditions indicate otherwise. In this case, the Executive Officer has determined that annexation is not appropriate at this time given primary access to the affected territory is via a County road that does not directly connect to La Mesa's boundary. Annexation would result in La Mesa assuming responsibility for a short segment of road frontage while the remainder of the roadway remains under County jurisdiction, creating an illogical and inefficient service arrangement. Based on this consideration, the Executive Officer waived the standard condition requiring annexation. The Executive Officer has also determined that the project qualifies as statutorily exempt from additional environmental review under State CEQA Guidelines Section 15269(c), as the activity is intended to prevent or mitigate a verified threat to public health and safety associated with the failed septic system on the property.

[1] An amended approval was issued on September 29, 2025. The original approval, dated September 19, required the applicant to submit an annexation application for the affected territory to the City of La Mesa. Following further review and consultation with the City, the Executive Officer amended the approval to waive the annexation requirement in light of local conditions, as further detailed in this report.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on the San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified.

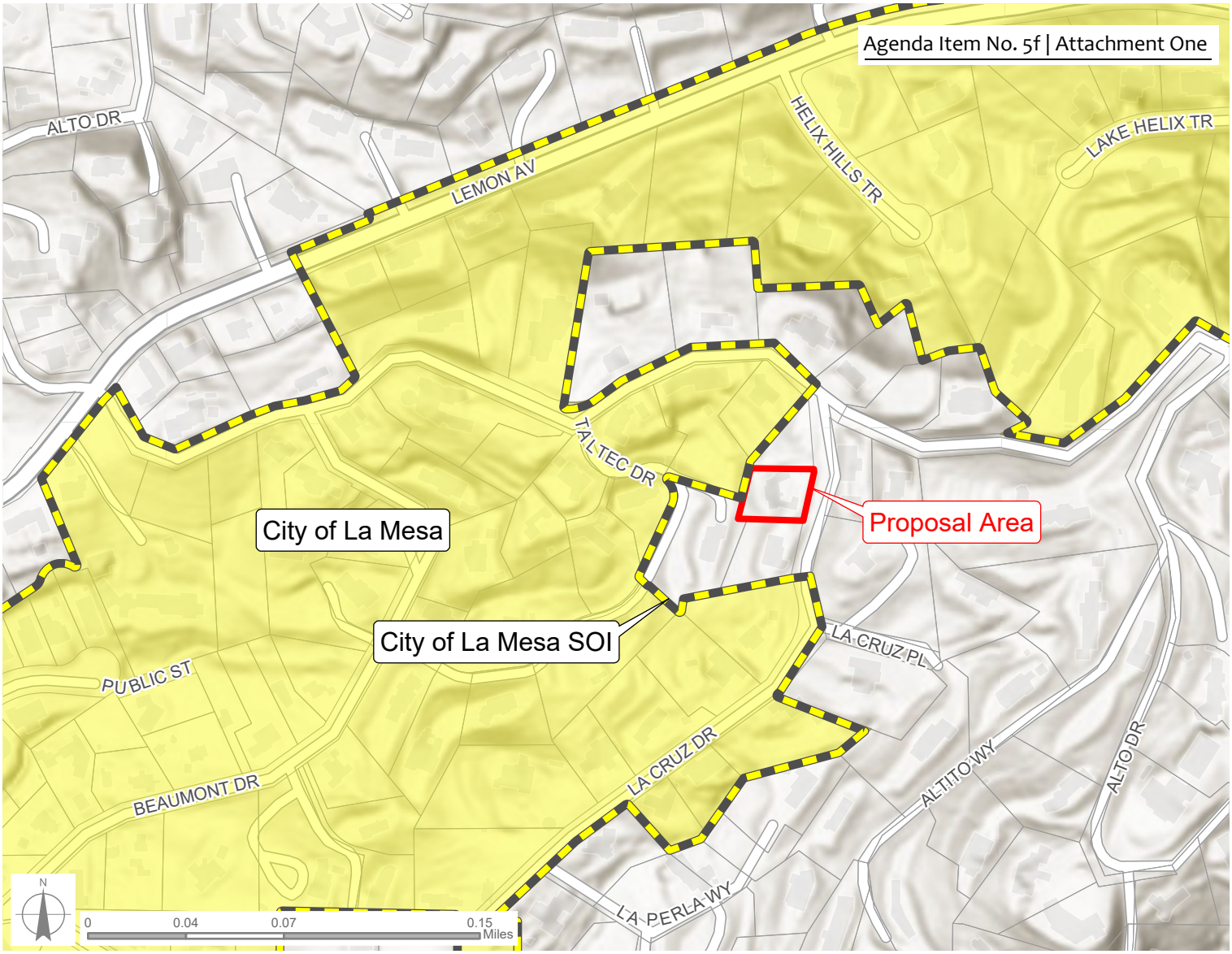
On behalf of the Executive Officer,

Michaela Peters

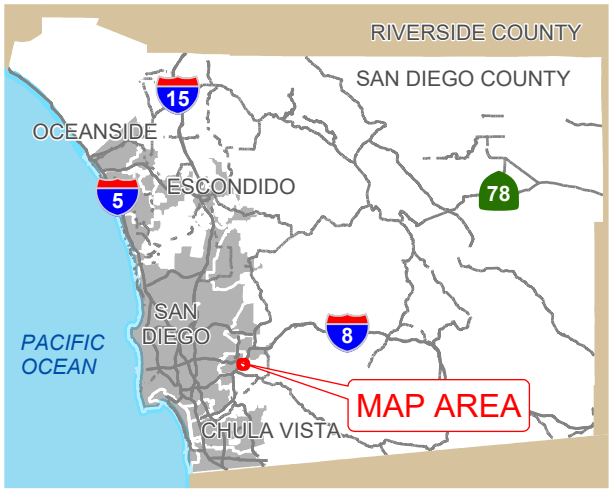
Michaela Peters
Analyst II

Attachments:

1) Map of the Affected Territory
2) Amended Certificate of Administrative Approval
3) Related Request Documents







OAS24-06 "IANNACONE - LA CRUZ DRIVE OUT-OF-AGENCY WASTEWATER SERVICES" | BUENA SANITATION DISTRICT

- Proposal Area
- City of La Mesa
- City of La Mesa SOI

SOI = Sphere of Influence

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

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Created by Dieu Ngu -- 9/10/2025

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

September 29, 2025

Delivered Electronically:
Tom & Rosario Iannacone
4950 La Cruz Drive
La Mesa, CA 91941
triannacone@cox.net

SUBJECT: **-- AMENDED --**
Notice of Administrative Approval:
Contractual Wastewater Service Agreement for the City of La Mesa to serve 4950 La Cruz Drive (Assessor Parcel Number 495-200-07-00) | (LAFCO File No. OAS24-06)

Mr. Iannacone:

This letter amends the formal notice of conditional approval issued on September 19, 2025, by the San Diego County Local Agency Formation Commission (LAFCO) for the City of La Mesa to establish contract wastewater service for the property located at 4950 La Cruz Drive. This conditional approval was authorized under my powers pursuant to Government Code Section 56133 and adopted LAFCO policy and substantiated based on a review of written documentation showing the existing septic system has failed and poses a threat to public health. Specifically, approval followed a written recommendation from the County of San Diego's Department of Environmental Health and Quality to immediately transition the property to public wastewater should it be available.

The original approval authorized the service extension for one calendar year and conditioned on the submittal of: (a) a completed contractual service agreement form along with the required documents, including an application filing fee in the amount of $480.40; and (b) a landowner-petition application to annex the affected territory to the City of La Mesa along with a filing fee in the amount of $5,284.10.

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann, Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

Following further review, and consultation with the City of La Mesa, the Executive Officer has issued an amended approval – attached herein – and waives the annexation requirement. This determination reflects local conditions, given the affected territory's principal access does not directly connect to La Mesa's boundary. Annexation would result in La Mesa assuming responsibility for a short segment of road frontage while the remainder of the roadway remains under County jurisdiction, creating an illogical and inefficient service arrangement.

All other conditions remain unchanged. The approval is limited to authorizing the City of La Mesa to enter into an outside of agency service agreement for wastewater service to the existing single-family dwelling unit on the property. Any future development or request for expanded service would require separate LAFCO approval.

Should you have any questions, please contact me by telephone at (858) 833-5322 or email at michaela.peters@sdcounty.ca.gov.

On behalf of the Executive Officer,

Michaela Peters

Michaela Peters
Local Government Analyst II

cc: Greg Humora, City of La Mesa, City Manager
Allyson Kinnard, City of La Mesa
Joel Waymire, Polaris Development Consultants, Inc.
Catherine Dean, County of San Diego - DEHQ
Keene Simonds, San Diego LAFCO
Priscilla Mumpower, San Diego LAFCO
Erica Sellen, San Diego LAFCO

-- AMENDED --

CERTIFICATE OF ADMINISTRATIVE APPROVAL OF A CONTRACTUAL WASTEWATER SERVICE AGREEMENT

City of La Mesa / Thomas Daniel Iannacone, Jr. and Rosario Martinez Iannacone
(LAFCO File No. OAS24-06)

September 29, 2025

In accordance with California Government Code Section 56133, the San Diego County Local Agency Formation Commission (LAFCO) authorizes the City of La Mesa to immediately provide extraterritorial wastewater service by contract to 4950 La Cruz Drive, La Mesa, CA 91941. The subject property is owned by Thomas and Rosario Iannacone and comprises one unincorporated parcel identified by the County of San Diego Assessor's Office as 495-200-07-00. The authorized service is limited to supporting the approximate 3,236 square foot single-family residence currently developed on the subject property.

A map of the subject property is attached.

Confirmation:

KEENE SIMONDS
Executive Officer

September 29, 2025

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
www.sdlafco.org
lafco@sdcounty.ca.gov

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann, Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

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CITY OF
LA MESA
JEWEL of the HILLS

August 12, 2025

San Diego County LAFCO
Attn: Keene Simonds
2550 Fifth Avenue, Suite 725
San Diego, CA 92103

Re: Project 2025-0888
Out of Area Service Agreement Request
4950 La Cruz Drive (APN 495-200-07-00)

Dear Mr. Simonds:

The City of La Mesa, at the behest of property owners Tom and Rosario Iannacone, is requesting approval from San Diego LAFCO to extend sanitary sewer service to a parcel developed with a single-family residence addressed as 4950 La Cruz Drive (APN 495-200-07-00). The property is located outside of the City of La Mesa municipal boundary and outside of the City's Sphere of Influence.

As described in a letter dated February 18, 2021 from the County of San Diego Department of Environmental Health and Quality, the onsite wastewater treatment system is failing, and it would be beneficial to connect to public sewer to address potential public health issues. City of La Mesa public sewer infrastructure is available and has adequate capacity to provide service to the property. Upon LAFCO's approval, an Out-of-Area Agreement for Sanitary Sewer Service will be recorded in the Office of the County Recorder.

I appreciate your consideration in this manner. Please reach out to the Director of Community Development, Lynnette Santos, at 619-667-1187 or lsantos@cityoflamesa.us with any questions.

Sincerely,

Greg Humora
City Manager

cc: File

8130 ALLISON AVENUE • LA MESA, CA 91942 • TEL: 619.463.6611 FAX: 619.667.1131

County of San Diego

AMY HARBERT
ACTING DIRECTOR

DEPARTMENT OF ENVIRONMENTAL HEALTH AND QUALITY
P.O. BOX 129261, SAN DIEGO, CA 92112-9261
Phone: (858) 505-6700 or (800) 253-9933 Fax: (858) 505-6786
www.sdcdeh.org

REBECCA LAFRENIERE, REHS
DIRECTOR OF ENVIRONMENTAL HEALTH

February 18, 2021
Tom Iannacone
4950 La Cruz Dr,
La Mesa,
CA 91941

Site: 4950 La Cruz Drive, La Mesa
Assessor Parcel Number: 495-200-07-00

This letter is in response to a failing septic complaint (DEH2021-ACOM-072410) an inspection was completed 2/17/202. The Department of Environmental Health and Quality (DEHQ) provides this letter in support of emergency sewer access for your property at 4950 La Cruz Drive, La Mesa, CA (APN: 495-200-07-00).

DEHQ initial investigation determined that the existing system is currently failing with sewage flowing onto the ground surface. DEH instructed you to immediately pump your septic tank to keep sewage off the ground.

You are attempting to connect to the nearby sanitary sewer, due in part to the condition of the onsite wastewater treatment system. You indicated that the system has been failing intermittently for over six months. DEHQ has limited documentation as to the location and extent of the existing onsite wastewater treatment system on the property. There is limited room for a repair on this site and any attempt at a repair would require a pump system design and percolation testing in the paved driveway. It is likely that any repair would be costly and non-conforming.

Connection to sewer would alleviate the failing onsite wastewater treatment system. This would prevent you, and subsequent property owners, from having to obtain a variance to install costly non-conforming repairs to this system. Due to the failure that is currently ongoing, an expedited connection to sewer/annexation would be beneficial to you and the property. It would also address any public health issue that exists because of the failing onsite wastewater treatment system.

Should you have any questions in this matter, please call me at (619) 204-0702 or email me at Catherine.dean@sdcounty.ca.gov.

Sincerely,

Catherine Dean,
Environmental Health Specialist III
Land and Water Quality Division

RECORDING REQUESTED BY:
La Mesa City Clerk
FEE EXEMPT PER
GOVERNMENT CODE SECTION 27383

WHEN RECORDED, RETURN TO:

Megan Wiegelman, City Clerk
City of La Mesa
P. O. Box 937
La Mesa, CA 91944-0937

(Space Above for Recorder's Use Only)

AGREEMENT FOR SANITARY SEWER SERVICE
(4950 La Cruz Drive, APN: 495-200-07-00)

THIS AGREEMENT, made and entered into this_____day of _____, 2025 by and between the **City of La Mesa, a Municipal Corporation**, hereinafter referred to as the "City", and **Thomas Daniel Iannacone, Jr.** and **Rosario Martinez Iannacone** hereinafter referred to as the "Owners",

WITNESSETH:

WHEREAS, the City Council adopted Resolution No. 15521 on June 23, 1987, adopting a policy for extension of sanitary sewer to serve residents outside the City limits;

WHEREAS, the City Council adopted Resolution No. 2024-131 on October 22, 2024, updating the policy for extension of sanitary sewer to serve residents outside the City limits;

WHEREAS, the 2012 General Plan Policy LU-7.1.3 is to work with the Local Agency Formation Commission (LAFCO) when residents outside the City request annexation or connection to City sanitary facilities;

WHEREAS, the owners desires to utilize the wastewater transportation and treatment facilities of the City for property located outside the City limits;

WHEREAS, the City Engineer has determined that sanitary sewer service for the subject property is necessary to protect the health and safety of the areas residents; and

WHEREAS, the City has and is operating a sanitary sewer system so situated and of sufficient capacity to transport and treat the wastewater from the owner's property.

NOW, THEREFORE, for and in consideration of the promises herein and for further good and valuable consideration hereinafter set forth, IT IS MUTUALLY AGREED BETWEEN THE PARTIES AS FOLLOWS:

SECTION 1. The property of the owners proposed to be connected to the City's sanitary sewer system, at a point approved by the City Engineer, shall be that area in a territory located within the City limits and shown in **Attachment A**.

SECTION 2. The owners may discharge wastewater into the City's sanitary sewer system, from the property described in Section 1 hereof, upon condition, however, that no waste oil, acid and other matter that may be detrimental to the treatment process employed in the City sanitary sewer system, nor any storm or ground waters, shall be permitted to be discharged into said connecting line, or lines, If any permitted discharge through said sewer system is contrary to limitations provided in this paragraph, the City may make such repair, mitigation or maintenance work at the expense of the owners and the owners agrees to pay the expense of such repair, mitigation or maintenance work. Further, the Owners shall comply with all codes, ordinance or policies relating to sanitary sewer service within the City of La Mesa.

SECTION 3. The owners shall prepare plans and specifications for the development of the lot and/or lots for which the sewer system extension is required. These plans and specifications shall be reviewed and approved by the City Engineer prior to the review of plans and specifications for the extension of the sewer. Plan review by the City Engineer shall be in accordance with current fee schedules and established procedures. This agreement is predicated on the development of the property.

SECTION 4. If a public sanitary sewer main is required to be installed, then the owners shall prepare plans and specifications for installation of a public sanitary sewer collection system, which shall meet the City's Design Criteria and shall be approved by the City Engineer. The owners shall install public sanitary sewer main lines in the public streets or in an approved easement granted to the City, from the owner's property to the existing public sanitary sewer system. Private sanitary sewer main and/or service laterals when installed shall be by the property owners. The applicant/owners shall be responsible to acquire private sewer easements if required. In addition, charges shall be paid by owners as follows: (***per current fee schedule established by the City Council**).

*A. A review fee payable to City at Planning Department.

*B. A plan check fee based on approved Engineer's estimate for reviewing plans for sanitary sewer collection system.

*C. An inspection fee based on approved Engineer's estimate of construction cost for inspecting construction of the public sanitary sewer collection system.

*D. A lump sum payment to the City, representing a sewer capacity charge to connect the City's existing facilities, and a lump sum payment representing the City's current connection fee based on equivalent dwelling units shall be paid.

*E. A yearly or monthly service charge to reimburse the City for treatment cost and maintenance of the sewer main collector system serving the property. Said service charge shall be as established by ordinance or resolution.

*F. Any sewer connection fees or reimbursement fees established by City to recover the cost of extending the public sanitary sewer system.

SECTION 5. The owners shall dedicate the newly constructed public sanitary sewer facilities determined by the City Engineer to be public facilities to the City in exchange for valuable consideration and the permission to connect to the City's sanitary sewer system.

SECTION 6. The City shall not be responsible or liable in any way for acts of God or any other act, or acts, beyond the control of the City which may in any way cause interruption or discontinuance of the sanitary sewer service provided for hereunder.

SECTION 7. The owners specifically agrees that all maintenance on the private sewer lateral and private sewer mains from owner's premises to the public sewer main shall be Owner's responsibility.

SECTION 8. This agreement shall be terminated and the City shall disconnect service, upon the owner's breach of or failure to perform in terms of this agreement.

SECTION 9. The owners further agrees that in the event that an annexation proceeding be initiated, which includes the property described in Section 1 of this agreement, the owners will not object to inclusion in an annexation, and will be considered to be in favor of said annexation.

SECTION 10. The owners further agrees that no new construction, development, or subdivision of property affected by this agreement aside from what is described in Section 3 shall be served by sanitary sewer extended under terms of this agreement. Per Resolution 2024-131, an ADU as authorized pursuant to local and state law shall not be considered new development.

SECTION 11. This agreement shall be binding upon any successors, heirs, or assigns of the owners.

SECTION 12. The parties agree that this Agreement for Sanitary Sewer Service shall be recorded in the office of the County Recorder of San Diego County and that the provisions contained herein relative to the real property described in **Section 1** shall operate as covenants and restrictions thereof.

SECTION 13. This agreement shall be null and void and any lien or cloud on title shall be released upon annexation of subject property to the City of La Mesa, notice of which shall be recorded.

IN WITNESS WHEREOF, the parties hereto have hereunto executed this agreement the day and year first above written.

Thomas Daniel Iannacone Jr., Trustee Date	Rosario Martinez Iannacone, Trustee Date

CITY OF LA MESA, a Municipal Corporation

BY _____
Mark Arapostathis, Mayor Date

BY _____
Megan Wiegelman, City Clerk Date

Attachments:
Attachment A – Private Sewer Easement
Attachment B – City Engineer Special Permit

E:\0400 AgrmtsCntrts\90 Sewer Service Agreements\SWR Svc. - 4950 La Cruz Dr.doc

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

On _____, 2025, before me, Megan Wiegelman, City Clerk, personally appeared Mark Arapostathis, Mayor, City of La Mesa, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____ (SEAL)
Megan Wiegelman, CMC
City Clerk of the City of La Mesa

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AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Priscilla Mumpower, Assistant Executive Officer

SUBJECT: **Request to Release Approval Condition | "County Service Area No. 135 Islands Reorganization" (File No. RO16-20)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider its Executive Officer's request to remove a condition from a previously approved five-agency reorganization affecting integrated fire protection, rescue, and emergency medical services for approximately 21,000 acres of unincorporated land in eastern San Diego County. The still-active condition requires the County of San Diego to initiate annexation of 3,274 acres to County Service Area (CSA) No. 69 for ambulance transport services, but subsequent events have rendered it moot. LAFCO has since dissolved CSA No. 69 and annexed all 3,274 acres to its primary successor agency, Lakeside Fire Protection District (FPD), accomplishing the condition's original intent through a different mechanism.

BACKGROUND

CSA No. 135 Islands Reorganization + Approval Condition to Annex Territory to CSA No. 69

This proposal was submitted to San Diego LAFCO in November 2016 by resolution of the County of San Diego and done so on behalf of five local agencies: Bonita-Sunnyside FPD, Lakeside FPD, San Miguel FPD, Ramona Municipal Water District (MWD), and CSA No.

Administration
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Brigette Browning, General Public
Eileen Delaney, Alt., General Public

135. LAFCO conditionally approved the proposal in February 2019 and in do so citing the benefit in eliminating three "islands" of unserved territory totaling 20,861 acres located between the agencies' respective boundaries. One of the conditions – materially – tasks the County to initiate a subsequent jurisdictional change with LAFCO to annex a portion of the affected territory – totaling 3,274 acres – to CSA No. 69 for purposes of ensuring consistent ambulance transport coverage through the agency's contract provider – Lakeside FPD.

Subsequent Events:
Creation of County FPD and Dissolution of CSA No. 69

Following San Diego LAFCO's conditional approval of the CSA No. 135 Islands Reorganization proposal, administrative changes within the County Fire Authority (then part of CSA No. 135) and its senior leadership prompted new initiatives that paused work on the approval's conditions. One initiative led to LAFCO reorganizing CSA No. 135 in October 2020 and transferring its integrated fire protection, rescue, and emergency medical services to a new agency – San Diego County FPD. Another initiative led to LAFCO dissolving CSA No. 69 in October 2022 and assigning its ambulance transport duties to its two then-contractors: City of El Cajon and Lakeside FPD. This latter action also included a concurrent request to annex approximately 680 acres to Lakeside FPD to ensure all former CSA No. 69 territory fell within one of the two successor agencies' boundaries. Markedly, the Commission approved the annexation while a modification to also include the 3,274 acres that had been made an approval condition of the CSA No. 135 Islands Reorganization proposal.

DISCUSSION

This item is for San Diego LAFCO to consider a request by the Executive Officer to approve the release a still-active condition associated with its February 2019 approval of the CSA No. 135 Island Reorganization. The release of the condition will enable LAFCO to proceed with formally finalizing the reorganization through the recordation of a Certificate of Completion followed by a filing with the State Board of Equalization.

ANALYSIS

San Diego LAFCO's original intent in conditionally approving the CSA No. 135 Islands Reorganization has been satisfied – albeit in an unexpected manner – through the subsequent dissolution of CSA No. 69 and annexation of all 3,274 acres to Lakeside FPD. With the intervening actions having superseded the original condition, releasing it now will allow LAFCO to finalize the reorganization and properly close out this long-pending matter.

RECOMMENDATION

It is recommended that San Diego LAFCO approve the request to release the referenced approval condition consistent with Alternative Action One below.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Release in full the condition identified as 7c in the resolution of approval of the "CSA No. 135 Islands Reorganization," dated February 4, 2019 as shown in Attachment One.

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

1) LAFCO Resolution of Approval: County Service Area 135 Islands Reorganization (File No. RO16-20), February 4, 2019

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RESOLUTION OF THE SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

APPROVING A REORGANIZATION AND ASSOCIATED SPHERE OF INFLUENCE AMENDMENTS

CONCURRENT ANNEXATIONS TO BONITA-SUNNYSIDE FIRE PROTECTION DISTRICT, LAKESIDE FIRE PROTECTION DISTRICT, SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT, AND RAMONA MUNICIPAL WATER DISTRICT, AND EXPANSION OF CSA NO. 135'S FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES LATENT POWER AREA (RO16-20 ET AL.)

WHEREAS, the County of San Diego (County), acting on behalf of Community Service Area No. 135 (CSA No 135), filed a resolution of application with the San Diego County Local Agency Formation Commission (Commission) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the County's application requests approval for expansion of CSA No. 135's latent power area for fire protection and emergency medical services to include the majority of the approximate 20,861.4 acres comprising the affected territory, and concurrent annexations of remaining portions of the affected territory among four agencies including Bonita-Sunnyside Fire Protection District, Lakeside Fire Protection District, San Miguel Consolidated Fire Protection District, and Ramona Municipal Water District, and concurrent sphere of influence amendments to include the designated portions of the affected territory; and

WHEREAS, the County represents it consulted with the subject agencies and all consent to their respective jurisdictional change and have the financial resources to assume and provide proportional fire protection and emergency medical services in support of existing and planned land uses within the affected territory; and

WHEREAS, the application filing by the County is processed by the Commission as a reorganization proposal and is referred to as the "CSA No. 135 Islands 2, 3, & 4 Reorganization"; and

WHEREAS, on January 29, 2019, the County of San Diego, approved a negotiated property tax exchange covering the affected territory and agencies in the CSA No. 135 Islands 2, 3, & 4 Reorganization; and

WHEREAS, the Commission's Executive Officer has reviewed the CSA No. 135 Islands 2, 3, & 4 Reorganization proposal and prepared a report with recommendations; and

WHEREAS, the Executive Officer's report and recommendations on the CSA No. 135 Islands 2, 3, & 4 Reorganization proposal and need for concurrent sphere of influence amendments 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 hearing along with reviewing the necessary concurrent sphere of influence amendments for consistency under Government Code Section 56375.5 on February 4, 2019.

NOW, THEREFORE, BE IT RESOLVED, the Commission hereby finds, determines, and orders the following:

1. The hearing was held on the date set therefore, and due notice of said hearing was given in the manner required by law.

2. At the hearing, the Commission called for, heard, and considered all interested parties and public comments and read and considered the Executive Officer's report.

3. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) in considering two distinct "projects" associated with the CSA No. 135 Islands 2, 3, & 4 Reorganization proposal and as detailed in the Executive Officer's report: (a) accommodating sphere of influence amendments and the (b) reorganization itself. The Commission's findings follow.

    a) The sphere of influence amendments qualify as a project under CEQA, but are exempt from further review under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty spheres of influence are planning policies and any amendments do not make any changes to the environment or authorize any new uses or services.

    b) The reorganization qualifies as a project under CEQA, but is exempt from further review under State CEQA Section 15061(b)(3). This exemption appropriately applies given it can be seen with a certainty the proposal will not have an adverse effect on the environment given the underlying action is to formalize services already provided informally by the subject agencies through cooperative arrangements.

4. The Commission conditionally APPROVES the following sphere of influence amendments.

    a) The service-specific sphere of influence for CSA No. 135 (Fire/EMS), Bonita-Sunnyside Fire Protection District, Lakeside Fire Protection District, San Miguel Consolidated Fire Protection District, and Ramona Municipal Water District amended to expand their authority to provide fire protection and emergency medical services to the territory shown in Exhibit A.

5. The Commission conditions the approved sphere of influence amendments as described on the recordation of the associated CSA No. 135 Islands 2, 3, & 4 Reorganization identified as RO16-20 et al.

6. The written statements of the Commission addressing the mandatory factors required for consideration any time spheres of influence are adopted, amended, or updated under Government Code Section 56425 are provided as Exhibit B.

7. The Commission conditionally APPROVES the proposed CSA No. 135 Islands Reorganization proposal identified as RO16-20 et al. without modification or amendment and as shown in Exhibit A.

a. The following conditions must be satisfied within one calendar year – or February 4, 2020 – unless prior written request for an extension is received and approved by the Commission.

   i. Completion of the 30-day reconsideration period provided under Government Code Section 56895.

   ii. Receipt and confirmation by the County of San Diego Assessor's Office of the completeness of maps and geographic descriptions of the affected territory showing the (a) annexation to the five agencies and (b) service expansion of the five agencies.

   iii. Payment of any outstanding fees pursuant to the adopted LAFCO Fee Schedule.

b. The following conditions apply upon and after the effective date of the CSA No. 135 Islands 2, 3, & 4 Reorganization as defined in No. 11 below:

   i. Tax Revenues. Upon the effective date, all property tax revenues and voter-approved special tax or special assessment revenues (if any), received or receivable shall be shared in accordance with the negotiated property tax exchange agreement resolution approved by the County Board of Supervisors at their January 29, 2019 meeting.

c. CSA No. 135 shall initiate a proposal for a sphere of influence amendment and annexation to CSA No. 69 (Heartland Paramedics) for the portions of the affected territory annexed to Lakeside FPD. Satisfaction of this condition requires the proposal be filed with the Commission and issuance of a Certificate of Filing by the Executive Officer.

8. The population in the affected territory is approximately 392 and, thus, the affected territory is inhabited as defined in Government Code Section 56046.

9. The Commission delegates to the Executive Officer performing all conducting authority proceeding requirements under Government Code Section 57000.

10. CSA No. 135, Bonita-Sunnyside Fire Protection District, Lakeside Fire Protection District, San Miguel Consolidated Fire Protection District, and Ramona Municipal Water District utilize the regular assessment roll of the County of San Diego.

11. The effective date of the CSA No. 135 Islands 2, 3, & 4 Reorganization proposal shall be the date of recordation of the Certificate of Completion.

12. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED by the San Diego County Local Agency Formation Commission on February 4, 2019 by the following vote:

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

**

ATTEST:



Erica Sellen
Commission Clerk

Note: RO16-20 ET AL. is not yet Recorded

EXHIBIT A

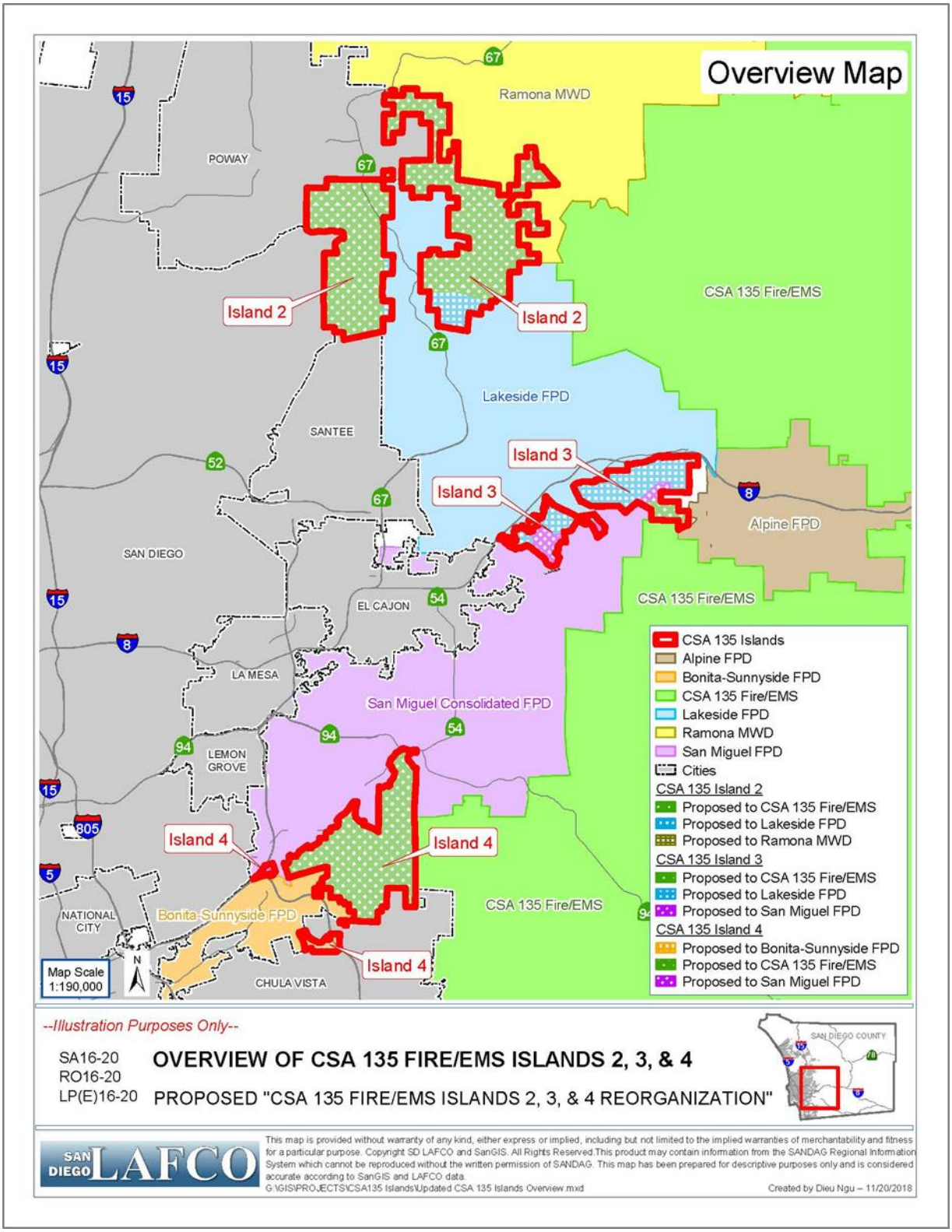

Overview Map
Ramona MWD
POWAY
SANTEE
SAN DIEGO
EL CAJON
LA MESA
LEMON GROVE
NATIONAL CITY
CHULA VISTA
Lakeside FPD
CSA 135 Fire/EMS
Alpine FPD
San Miguel Consolidated FPD
Bonita-Sunnyside FPD
Island 2
Island 3
Island 4
CSA 135 Islands
Alpine FPD
Bonita-Sunnyside FPD
CSA 135 Fire/EMS
Lakeside FPD
Ramona MWD
San Miguel FPD
Cities
CSA 135 Island 2
Proposed to CSA 135 Fire/EMS
Proposed to Lakeside FPD
Proposed to Ramona MWD
CSA 135 Island 3
Proposed to CSA 135 Fire/EMS
Proposed to Lakeside FPD
Proposed to San Miguel FPD
CSA 135 Island 4
Proposed to Bonita-Sunnyside FPD
Proposed to CSA 135 Fire/EMS
Proposed to San Miguel FPD
Map Scale 1:190,000
N
--Illustration Purposes Only--
SA16-20
RO16-20
LP(E)16-20
OVERVIEW OF CSA 135 FIRE/EMS ISLANDS 2, 3, & 4
PROPOSED "CSA 135 FIRE/EMS ISLANDS 2, 3, & 4 REORGANIZATION"
SAN DIEGO COUNTY
SAN DIEGO LAFCO
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 SD 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.
G:\GIS\PROJECTS\CSA135 Islands\Updated CSA 135 Islands Overview.mxd
Created by Dieu Ngu – 11/20/2018

EXHIBIT B

Government Code Section 56425
Sphere of Influence Statements

1) The present and planned land uses, including agricultural and open-space lands.

The affected territory totals approximately 20,861.38 acres or 32.6 square miles of unincorporated territory respectively located within or adjacent to the unincorporated communities of Lakeside and Ramona (Island 2); Crest/Dehesa, Lakeside, and Alpine (Island 3); and Bonita and Spring Valley (Island 4). The affected territory is entirely unincorporated, and as such all present and planned land uses are subject to the adopted policies of the County of San Diego. Development within the affected territory is guided by the associated community plans, which establish local development standards and identify zoning designations within the respective unincorporated communities. Predominant land uses include rural/semi-rural residential and open space; there are no agricultural land uses. LAFCO estimates the total resident population within the affected territory is 392.

(2) The present and probable need for public facilities and services in the area.

Existing and planned uses within the affected territory as described above merits organized fire protection and EMS. This need is amplified by the present unserved status of the affected territory and highlighted by an existing residential population of 392 as well as serving as a front-line defense to the wildland interface along the eastern perimeter. No new development is associated with the proposed sphere amendments and reorganization of the affected territory with the five subject agencies: Bonita-Sunnyside FPD; Lakeside FPD; San Miguel Consolidated FPD; Ramona MWD; and CSA No. 135. Elimination of three unserved islands will allow the subject agencies to include the respective annexation/expansion territory within their long-range planning documents to address any probable future needs for local facilities and services in step with the County General Plan.

(3) The present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.

The five subject agencies are each authorized and presently provide structural fire protection services and EMS services within their respective jurisdictional boundaries. Bonita-Sunnyside FPD, Lakeside FPD, and San Miguel Consolidated FPD each provide services directly from their owned and operated fire stations. Ramona MWD and CSA No. 135 each provide services via contract with CALFIRE. The spheres of influence for the subject agencies were most recently reviewed between 2014-2017. LAFCO determined the capacities of facilities and provision of services were adequate and the subject agencies' respective spheres were affirmed. Review of recent adopted budgets and audited financial statements affirm sufficient resources exist for the subject agencies to efficiently extend

fire protection and EMS services to the affected territory without impacting existing service levels or requiring additional facilities.

(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The underlying rationale to the proposed sphere of influence amendments to divide the affected territory proportionally between the five subject agencies in conjunction with the associated reorganization is based on proximity of available resources. Proceeding with the sphere amendments, accordingly, serves to establish economies of scale in the delivery of fire protection and EMS and the related community interests therein between the agencies and the lands in support of existing and planned uses going forward.

(5) The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The affected territory was reviewed in 2017 for identification and mapping of all qualifying disadvantaged unincorporated communities within or adjacent to the sphere of influence of the subject agencies. No part of the affected territory was identified as containing a disadvantaged unincorporated community. All identified disadvantaged unincorporated communities within the respective subject agencies' spheres will be evaluated regarding their present and probable service and facility needs as part of the next scheduled 5-year service and sphere review cycle commencing in FY2017-2018.

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AGENDA REPORT
Consent | Information

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Priscilla Mumpower, Assistant Executive Officer
Meghan Traynor, Analyst I

SUBJECT: **Report on Applicant Proposals**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a status report on active applicant proposals and requests currently on file as well as anticipated filings based on ongoing discussions with proponents. The item is for information and concurrently satisfies LAFCO's reporting requirement involving petition-initiated proposals.

BACKGROUND

Procedures and Timelines

LAFCO proceedings for jurisdictional changes are generally initiated by outside applicants through petitions (landowners or voters) and, to a lesser extent, by resolutions (local agencies). LAFCOs may also initiate jurisdictional changes to form, consolidate, or dissolve special districts if consistent with the recommendations of approved municipal service reviews. Most jurisdictional change filings take four to six months to process before they are scheduled for a hearing. Requests for out-of-agency service approvals – which are subject to separate procedures – generally take two months to process.

Administration
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2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
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Paloma Aguirre, County of San Diego
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DISCUSSION

This item provides San Diego LAFCO with its regular update on active applicant proposals currently on file. It also serves to preview anticipated future workload by identifying pending proposals that staff expects to be formally submitted in the near term based on ongoing discussions with local agencies. Additionally, the item fulfills the Commission's statutory obligation to provide agenda notice for jurisdictional changes initiated by petition. Commissioners are invited to pull the item for discussion as needed.

As of this reporting period, thirty-four (34) active proposals are on file with LAFCO. Of these, twenty-eight (28) are under administrative review and pending formal Commission hearing while the remaining six (6) involve conditionally approved proposals awaiting recordation. Staff also identifies seven (7) substantive pending proposals based on communications with prospective applicants.

A complete listing of all active and pending proposals is provided as Attachment One.

ANALYSIS

None.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on the San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of the staff,

Meghan Traynor
Local Government Analyst I

Attachment:

1) Active and Pending Proposals as of September 26, 2025

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
ACTIVE PROPOSAL APPLICATIONS | PENDING COMMISSION ACTION				
1	RO06-17	"Tobacco Road Reorganization" - City of Escondido: Annexation	Staff	Application submitted in March 2006 by landowner petition to annex six parcels to the City of Escondido. The affected territory comprises six parcels located along Tobacco Road. The application filing fulfilled an earlier Executive Officer approval in 2006 to authorize the City of Escondido to extend outside wastewater service to two of the six subject parcels due to failing septic systems. (The other four subject parcels are included in the proposal to provide connectivity to the existing City boundary.) The current number of residents within the affected territory is unknown. The application remains incomplete pending the submittal of additional documentation and related information to complete the administrative review. THE PROPOSAL IS SUBJECT TO FORMAL ABANDONMENT PENDING THE ANTICIPATED ACTION BY THE COMMISSION TO APPROVE AUTHORIZING POLICIES.
2	RO08-09	"South Mollison Ave-Snyder Reorganization" - City of El Cajon: Annexation	Staff	Application submitted in May 2008 by landowner petition for a proposed annexation to the City of El Cajon. The affected territory includes approximately 1.25 acres and is subject to a proposed multi-family residential project. It is unknown whether there are any current residents within the affected territory. The application remains incomplete pending the submittal of additional documentation and related information necessary to complete the administrative review. THE PROPOSAL IS SUBJECT TO FORMAL ABANDONMENT PENDING THE ANTICIPATED ACTION BY THE COMMISSION TO APPROVE AUTHORIZING POLICIES.
3	DA08-10	"Avocado Way-Potter Annexation" - Vallecitos WD: Annexation	Staff	Application submitted in May 2008 by landowner petition requesting annexation of to the Vallecitos Water District for purposes of receiving public wastewater services. The affected territory comprises two parcels developed with single-family residences located along Avocado Way. The number of current residents within the affected territory is unknown. The application remains incomplete pending the submittal of additional documentation and related information necessary to complete the administrative review. THE PROPOSAL IS SUBJECT TO FORMAL ABANDONMENT PENDING THE ANTICIPATED ACTION BY THE COMMISSION TO APPROVE AUTHORIZING POLICIES.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
4	RO08-15 SA08-15	"Crestlake Estates Reorganization" - City of Santee: Annexation - San Diego County SD: Annexation - Lakeside FPD: Annexation	Staff	Application submitted in May 2008 by landowner petition requesting a reorganization to accommodate wastewater, fire protection, and ambulance services for an approved Tentative Map allowing the development of 60 single-family residences. It is unknown if there are any current residents. The affected territory lies within all three subject agencies' spheres of influence: San Diego County Sanitation District; Lakeside Fire Protection District; and the City of Santee. The application remains incomplete pending the submittal of additional documentation and related information necessary to complete the administrative review. THE PROPOSAL IS SUBJECT TO FORMAL ABANDONMENT PENDING THE ANTICIPATED ACTION BY THE COMMISSION TO APPROVE AUTHORIZING POLICIES.
5	DA12-02	"Lorch Annexation" - Borrego WD: Annexation	Staff	Application submitted in March 2012 by landowner petition to annex approximately 9.4 acres to the Borrego Water District (WD) to provide water service to one parcel within the District's sphere. It is unknown how many residents are currently within the affected territory. Application deemed incomplete in an April 2012 status letter. A new status letter was sent in January 2018 stating the proposal would be considered abandoned unless notified otherwise. Borrego WD responded to the letter and has reinitiated discussions with the landowner regarding possible service terms. Discussions remain active.
6	DA16-10	"CSA 17 Harmony Grove Annexation" - CSA 17: Annexation	Staff	Application submitted in May 2016 by resolution from the County of San Diego to annex approximately 3,600 acres to County Service Area (CSA) No. 17 for ambulance service and done so as a cross-condition of the Commission dissolving CSA No. 107 in 2015. The affected territory is entirely unincorporated and comprises portions of the Elfin Forest and Harmony Grove communities with an estimated resident population of 29,995. The proposal remains incomplete due to a variety of reasons and is marked by opposition from the CSA No. 17 Advisory Committee. Staff continues to engage the County, Advisory Committee, and other stakeholders to fulfill the Commission's earlier directive. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
7	RO16-11	"Rancho Hills Reorganization" - Rancho Santa Fe CSD: Annexation - Olivenhain MWD: Expansion of Latent Power Area - Olivenhain MWD: Latent Sphere Action (+)	Meghan Traynor	Application submitted in October 2016 to annex a portion of a 37-lot residential subdivision titled "Rancho Hills" to Rancho Santa Fe CSD for wastewater service. A concurrent latent power expansion for Olivenhain MWD is needed to accommodate sewer to the remaining project site. The proposal was deemed incomplete in a November 2016 status letter. With concurrence with the proponent, the application was administratively paused due to the pending receipt of additional documentation. A new application was submitted in May 2025 and is currently under administrative review. Discussions remain active.
8	RO19-26	"Valiano - Eden Valley Reorganization" - San Marcos FPD: Annexation - Rancho Santa Fe FPD: Detachment - Rancho Santa Fe FPD: Sphere Action (-) - Rancho Santa Fe FPD: Extraterritorial Fire	Michaela Peters	Application submitted in January 2025 by landowner petition and the City of Escondido involving a reorganization as part of the "Valiano" planned development in Harmony Grove. The reorganization involves the concurrent annexation of 10.8 unincorporated acres to San Marcos FPD with detachment from Rancho Santa Fe FPD and related sphere amendments. The Commission is scheduled to consider the proposal as part of a publicly noticed hearing at its October 6, 2025 meeting.
9	CO21-09	"Otay Lakes Road Change of Organization" - City of Chula Vista: Annexation	Michaela Peters	Application submitted in October 2022 by landowner petition to annex approximately 1,870 acres of unincorporated territory to the City of Chula Vista. (The petitioners originally filed an application in October 2021 seeking approval to annex into the San Diego County Sanitation District. This previous application has since been withdrawn.) The affected territory comprises 6 parcels within the Baldwin and Moller communities and is presently undeveloped. The proposal is intended to facilitate the development of a 1,938 residential subdivision with various ancillary uses as part of the "Otay Ranch Resort Village 13" project. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant – including an agreement with LAFCO to proceed with a targeted/informing municipal service review. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
10	CO22-04	"AJX Homes - Carmichael Change of Organization" - City of La Mesa: Annexation - City of La Mesa: Sphere Action (+) - San Miguel FPD: detachment - San Miguel FPD: Sphere Action (-)	Michaela Peters	Application submitted in February 2022 by landowner petition involving annexation of approximately 0.3 acres to City of La Mesa for wastewater service. The affected territory is developed with a single-family residence and the landowner intends to update the existing site from a septic system to a public wastewater system. The proposal is currently under administrative review. Discussions remain active.
11	OAS22-08 CO22-08	"Martinez - North Avenue Reorganization" - City of Escondido: Annexation - County Service Area No. 135: Detachment - Deer Springs Fire Protection District: Detachment	Meghan Traynor	Application submitted in April 2022 by landowner petition and involves an outside-of-agency service agreement for wastewater services to a single-family residence totaling 0.25 acres to remedy a failing septic system. The Executive Officer administratively approved the service request on May 3, 2022 with a conditional approval to annex into the City of Escondido. The application is incomplete pending receipt of additional documentation and related information. Discussions remain active.
12	RO22-11	"Tummala - Rincon MWD Reorganization" - Rincon del Diablo MWD: Annexation - Metropolitan Water District: Annexation - San Diego CWA: Annexation	Michaela Peters	Application submitted in October 2022 by landowner petition involving annexation of approximately 20 acres of unincorporated territory to make available public water services. The affected territory is currently vacant and undeveloped. The proposal's purpose is to position the landowner to proceed in the future with a development plan with the County of San Diego. The application is incomplete pending receipt of additional documentation and related information.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
13	CO23-11	"Nencini Associates Change of Organization" - San Diego County SD: Annexation	Michaela Peters	Application submitted in July 2023 by landowner petition and involves annexation of approximately 20.6 acres to the San Diego County Sanitation District (SD) for the primary purpose of establishing wastewater service. The affected territory is partially developed with one single-family residence, with plans to develop an additional 7 single-family residences through subdivision. Conditional approval for future annexation to the City of Chula Vista is recommended. The application is incomplete pending receipt of additional documentation and related information. Discussions remain active.
14	CO23-15	"Maclachlan - Old Highway 80 Change of Organization" - San Diego County SD: Annexation	Michaela Peters	Application submitted in December 2023 by landowner petition and involves annexation of approximately 0.60 acres to the San Diego County Sanitation District for the primary purpose of establishing wastewater service. The affected territory is currently undeveloped with plans to develop a commercial building and parking lot. The application is incomplete pending receipt of CEQA documentation and related information. Discussions remain active.
15	OAS24-06	"Iannacone - La Cruz Drive Contractual Service Agreement" - City of La Mesa: OAS	Michaela Peters	Fee submitted in March 2024 with an intent to file an application involving an outside-of-agency service agreement to establish wastewater services to a single-family residence to remedy to a failing septic system. The Executive Officer administratively approved the service request on September 19, 2025 with a conditional approval to annex into the City of La Mesa. Commission is scheduled to receive notice of this administrative approval as a consent item at its October 6, 2025 meeting.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
16	RO24-07	"Lake Wohlford Resort Reorganization" - Valley Center MWD: Annexation	Meghan Traynor	Fee submitted in March 2024 for an anticipated reorganization application involving the annexation of approximately 127 acres to the Valley Center Municipal Water District for the purpose of receiving potable water service. The affected territory is presently developed with 137 mobile homes and one restaurant currently served by an onsite water system. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.
17	RO24-08 OAS 24-08	"Shen – Pinecrest Ave Out-of-Agency Service Agreement" - City of Escondido: Annexation - County Service Area No. 135: Detachment	Meghan Traynor	Application submitted in August 2024 by landowner petition involving an out-of-agency service agreement to establish wastewater services to a single-family residence totaling 1.09 acres to remedy to a failing septic system. The Executive Officer administratively approved the service request on September 6, 2024. The proposal was approved as a consent (information only) item as part of the Commission's October 7, 2024. The administrative approval is conditioned on the landowner submitting a complete change of organization application to LAFCO for formal annexation into the City of Escondido within one calendar year unless a time extension is authorized. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.
18	RO24-12 OAS24-12	"Delgado-Andrade – 24th Street Outside-of-Agency Service Agreement" - City of National City: Annexation - City of National City: Sphere Action (+) - County Service Area No. 135: Detachment - Lower Sweetwater Fire Protection District: Detachment - South Bay Irrigation District: Detachment	Meghan Traynor	Application submitted in August 2024 by landowner petition involving an out-of-agency service request for wastewater services to a developed single-family residence on less than an acre to remedy a failing septic system. The Executive Officer administratively approved the service request on October 23, 2024 and the proposal was approved as a consent item as part of the Commission's November 4, 2024 meeting. The administrative approval is conditioned on the landowner submitting a complete change of organization application to LAFCO for formal annexation into the City of National City within one calendar year unless a time extension is authorized. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
19	CO24-14	"Quarry Road LLC Change of Organization" - San Diego County SD: Annexation	Meghan Traynor	Application submitted in September 2024 by landowner petition involving an annexation of approximately 10.7 acres to the San Diego County Sanitation District for the primary purpose of establishing wastewater services. The affected territory is currently undeveloped with plans to develop a commercial storage facility. The Commission is scheduled to consider the proposal as a business item at its October 6, 2025 meeting.
20	SRO24-15	"La Jolla Incorporation" - La Jolla: Incorporation - City of San Diego: Detachment - City of San Diego: Sphere Action (-)	Priscilla Mumpower	Notice of Intent to Circulate Petition was submitted May 2024 in anticipation of a special reorganization application filing. The proposal involves the detachment of approximately 8,371 acres from the City of San Diego and the incorporation of the community of La Jolla, along with conforming sphere of influence amendments. LAFCO staff has confirmed the proponents have collected enough valid petitions equal to no less than 25% of all registered voters within the proposed municipal boundary, which covers the entirety of the 92037 zip code with an estimated population of 47,000. LAFCO staff will now proceed in initiating the administrative review on the proposal and headlined by selecting an outside consultant to prepare a comprehensive fiscal analysis evaluating the ability of La Jolla to fund a sufficient level of municipal services while assessing monetary impacts to the City of San Diego.
21	CO25-01 OAS25-01	"Hallam – Lovely Lane Out-of-Agency Service Agreement" - Buena Sanitation District: Annexation	Meghan Traynor	Application submitted in January 2025 by landowner petition involving an out-of-agency service agreement to establish wastewater services to a single-family residence totaling 0.67 acres to remedy a failing septic system. The Executive Officer administratively approved the service request on January 22, 2025 and the proposal was approved as a consent item as part of the Commission's February 3, 2025 meeting. The administrative approval is conditioned on the landowner submitting a complete change of organization application to annex to the Buena Sanitation District within one calendar year unless a time extension is authorized. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
22	OAS25-02	"Garza – Touchstone Communities Out-of-Agency Wastewater Services" - City of Escondido: OAS	Michaela Peters	Application submitted in January 2025 by the City of Escondido for an out-of-agency service agreement involving a 10.35-acre unincorporated parcel currently developed with one single-family residence. The proposal is intended to facilitate the development of a 42-unit single-family residential subdivision by "Touchstone Communities" and abate an impending public health and safety threat given the size of the proposed development. The application is incomplete pending receipt of CEQA documentation and related information. Discussions remain active.
23	OAS25-03 RO25-03	"Lopez – Bear Valley Parkway Out-of-Agency Wastewater Services" - City of Escondido: Annexation - County Service Area No. 135: Detachment	Michaela Peters	Application submitted in January 2025 by the City of Escondido on behalf of the landowner requesting an out-of-agency service agreement to establish wastewater services to remedy a failing septic system. The affected territory spans 1.37 acres and is developed with a single-family residence and ADU. The Executive Officer administratively approved the service request on February 7, 2025 and the proposal was approved as a consent item as part of the Commission's March 3, 2025 meeting. The administrative approval is conditioned on the landowner submitting a complete change of organization application to LAFCO for formal annexation into the City of Escondido within one calendar year unless a time extension is authorized. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.
24	OAS25-09	"Mayer – Santa Fe Avenue Out-of-Agency Wastewater Services" - Buena Sanitation District: OAS	Michaela Peters	Application submitted in March 2025 by the Buena Sanitation District on behalf of the landowner requesting out-of-agency wastewater services to facilitate the development of a 46-unit townhouse development on approximately 2.91-acres. The affected territory includes three APNs located in the City of San Marcos. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
25	CO25-10	"Miller & Hall – Vulcan Avenue Change of Organization" - Leucadia Wastewater District: Annexation	Michaela Peters	Application submitted in April 2025 by resolution of the Leucadia Wastewater District. The affected territory comprises one parcel approximately 0.22-acres in size with an existing single-family residence utilizing an onsite septic system. The proposal requests the establishment of public wastewater services intended to facilitate the existing single-family residence and planned development of an ADU. The Commission is scheduled to consider the proposal as a consent item at its October 6, 2025 meeting.
26	OAS25-11 RO25-11	"Halstead – Olivewood Lane OAS Wastewater Services" - San Diego County Sanitation District: OAS	Meghan Traynor	Application submitted in April 2025 by the San Diego County Sanitation District on behalf of the landowner requesting out-of-agency wastewater services to accommodate an existing single-family residence to remedy a failing septic system. The Executive Officer administratively approved the service request on April 23, 2025. The administrative approval is conditioned on the landowner submitting a complete change of organization application to LAFCO for formal annexation into the City of Escondido within one calendar year unless a time extension is authorized. The Commission conditionally approved the out-of-agency wastewater service agreement on June 2, 2025. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.
27	OAS25-13 CO25-13	"Goodwin – Pine Valley Improvement Club Out-of-Agency Wastewater Services" - San Diego County Sanitation District: Annexation	Meghan Traynor	Application submitted in July 2025 on behalf of the Pine Valley Improvement Club requesting out-of-agency wastewater services to accommodate an existing commercial building to remedy a public health risk posed by the proximity of the existing septic system to a non-conforming well on-site. The Executive Officer administratively approved the service request on July 22, 2025. The proposal was approved as a consent (information only) item as part of the Commission's August 4, 2025 meeting. The administrative approval is conditioned on the landowner submitting a complete change of organization application to LAFCO for formal annexation into the San Diego County Sanitation District within one calendar year unless a time extension is authorized. The application is incomplete pending receipt of a complete application and related information. Discussions remain active.
28	OAS25-14	"Bowles– North Broadway Out-of-Agency Wastewater Services" - City of Escondido: OAS	Meghan Traynor	Application submitted in July 2025 by a landowner requesting out-of-agency wastewater services to accommodate the demolition and reconstruction of an existing single-family residence on a 1.23-acre parcel. The County Department of Environmental Health and Quality determined sanitary sewer service for the subject property is necessary based on the subject parcel's size and high groundwater level in the surrounding area. The proposal is currently under administrative review. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
ACTIVE PROPOSALS | POST COMMISSION ACTION				
29	SA16-20 LP16-20	"CSA 135 Islands Reorganization" - CSA 135 – LP Fire Area: Latent Powers Expansion - Bonita-Sunnyside FPD: Annexation - Lakeside FPD: Annexation - San Miguel FPD: Annexation - Ramona MWD: Annexation	Staff	Proposal submitted November 2016 by resolution of the San Diego County Fire Authority. Involved annexation of remaining unserved Islands 2, 3, and 4 via reorganization of local fire service territory among five local agencies: CSA 135; Bonita-Sunnyside FPD; Lakeside FPD; Ramona MWD; and San Miguel FPD. Reorganization involved annexation to the subject agencies and expansion of CSA No. 135's latent powers to provide fire protection and emergency medical services to three unincorporated and unserved island areas totaling approximately 21,048 acres. Conforming amendments to add the affected territory to the subject agencies' spheres of influence were also required. The reorganization proposal was approved February 4, 2018 and is now pending recordation once all terms are satisfied. A noticed protest hearing was held on March 13, 2019 at the LAFCO office. No protest was received by affected registered voters or landowners. Other terms remain pending.
30	CO22-20	"Camino De La Fuente - Wick Change of Organization" - San Diego County SD: Annexation	Michaela Peters	Application submitted in November 2022 by landowner petition and involves annexation of approximately 35.3 acres of unincorporated and undeveloped territory to the San Diego County Sanitation District to make available public water and wastewater services. The proposal's purpose is to position the landowner to proceed in the future with a development plan to grade the land for future industrial and outdoor storage uses. The proposal was approved by the Commission on October 2nd, 2023. The applicant requested a formal extension to September 18th, 2025 in order to satisfy the necessary terms and conditions outlined in the adopted resolution. The applicant intends on filing a new extension to September 18th, 2026.
31	RO24-17	"Biermann – N Ash Street Change of Organization" - City of Escondido: Annexation - County Service Area No. 135: Detachment	Meghan Traynor	Application submitted in October 2024 by landowner petition and involves annexation of 0.74-acre parcel in unincorporated territory to the City of Escondido for the purpose of receiving wastewater service. The subject parcel is currently developed with one single-family residence. The request for public wastewater is to accommodate a lot split with a proposed development of an additional single-family residence and two ADUs. The proposal was approved by the Commission on May 2, 2025 and now pending completion of terms and conditions as set forth by the Commission.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
32	CO25-07	"Balazs – Artesian Breeze Way Change of Organization" - Rancho Santa Fe CSD: Annexation	Meghan Traynor	Application submitted in March 2025 by landowner petition involving an annexation of approximately 2.41 acres to the Rancho Santa Fe Community Services District for the primary purpose of establishing wastewater services. The affected territory is currently undeveloped with plans to develop one 10,000 square-foot single-family residence. The proposal was approved by the Commission on August 4, 2025 and now pending completion of terms and conditions as set forth by the Commission.
33	SA19-26	"Valiano – Eden Hills LLC Project" - City of Escondido: Sphere Action (+) - City of Escondido: OAS	Michaela Peters	Application submitted in January 2025 by landowner petition and the City of Escondido involving an out-of-agency service agreement and sphere amendment as part of the "Valiano" planned development in Harmony Grove. The OAS agreement and sphere amendment were approved as part of a publicly noticed hearing at the August 4, 2025 Commission meeting. The sphere amendment is now pending completion of terms and conditions as set forth by the Commission.
34	RO25-08	"Nakano Development Project Reorganization" - City of Chula Vista: Detachment - City of Chula Vista: Sphere Action (-) - Otay Water District: Detachment - Otay Water District: Sphere Action (-) - City of San Diego: Annexation - City of San Diego: Sphere Action (+)	Michaela Peters	Application submitted in March 2025 by resolution of the City of San Diego requesting the detachment of approximately 23.8 acres from the City of Chula Vista and the Otay Water District (WD), with a concurrent annexation to the City of San Diego. The proposal also includes related sphere of influence amendments. The affected territory consists of a single assessor parcel located off Dennery Road, between Regatta Lane and Golden Sky Way. The parcel is currently undeveloped, and the proposed boundary change is intended to facilitate the extension of public services to support the planned development of up to 221 residential units, including condominiums, duplexes, and townhomes. The proposal was approved by the Commission on August 4, 2025 and now pending completion of terms and conditions as set forth by the Commission.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
PENDING PROPOSAL APPLICATION SUBMITTALS (No project manager; inquiries should be directed to Keene Simonds)				
	Pending	"Harvest Hills Reorganization" - City of Escondido: Annexation		This anticipated reorganization proposal is currently undergoing development and environmental review by the City of Escondido. Submittal to LAFCO anticipated for late 2020-2021 if approved by Escondido. The anticipated proposal involves annexation of approximately 1,098 acres to the City for the primary purpose of developing a 550-lot residential subdivision. All the affected territory presently lies outside the adopted Escondido sphere. Due to the scope of the proposal area a comprehensive update of the City's sphere is warranted along with preparing the supporting municipal service review document. These and other service-related issues have been communicated to the City and are currently under joint review with other local stakeholders. Project was originally titled as "Safari Highlands".
	Pending	"Rancho Lomas Verde Reorganization" - City of Vista: Annexation		This anticipated reorganization proposal is undergoing development and environmental review by the City of Vista. The proposal involves annexation of approximately 300 acres to the City of Vista and concurrent detachments from CSA 135 and the Vista FPD to facilitate a 153-lot residential development. Close to three-fourths of the project area lies outside the adopted Vista sphere. Due to the scope of the proposal area a comprehensive update of the City's sphere is warranted along with preparing the supporting municipal service review document. These and other service-related issues have been communicated to the City and are currently under joint review with other local stakeholders.
	Pending	"Sager Ranch Reorganization" - City of Escondido: Annexation		This anticipated reorganization involves annexation of approximately 1,800 unincorporated acres to the City of Escondido and concurrent detachments from CSA 135 and the Valley Center FPD. The reorganization would facilitate the proposed development of approximately 200 acres to include 203 residential units and a 225-room resort. Portions of the project area lie outside the current City sphere. Fire protection service remains a key discussion point and the source of ongoing discussions with the proponents.
	Pending	"Harmony Grove Village South" (TM-626) - Rincon del Diablo MWD: Annexation		This anticipated reorganization involves the unincorporated Harmony Grove Village South project and specific to accommodating sewer services (among a variety of options) for the planned development of approximately 111 acres to include 453 residential units. On January 27, 2020 the San Diego Superior Court overturned the County's development approvals for the project. Appeals are pending with no update as of this report.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
	Pending	"Escondido Village – Unison Communities" - City of Escondido: Annexation		This anticipated reorganization involves annexation of approximately 17 unincorporated acres to the City of Escondido. The reorganization would facilitate connectivity to public wastewater service and in doing so accommodate the proposed development of approximately 200 residential units on the affected territory. The entire project lies within the City of Escondido sphere of influence. Complete application is pending.
	Pending	"Pasqual Heights – Touchstone Communities" - City of Escondido: Annexation		This anticipated out-of-agency service agreement involves approximately 10.4 unincorporated acres to the City of Escondido. The OAS would facilitate connectivity to public wastewater service and in doing so accommodate the proposed development of a 42-Single- Family unit subdivision within the affected territory. The entire project lies within the City of Escondido sphere of influence although not contiguous to the established service area boundary. Complete application and letter of request via the City is pending.
	Pending	"Barona Band of Mission Indians - Ramona MWD" - Ramona MWD: OAS		This anticipated out-of-agency service (OAS) agreement involves approximately 1,784 unincorporated acres within the Barona Reservation. The Metropolitan Water District of Southern California, the San Diego County Water Authority, and the Ramona Municipal Water District (MWD) are parties to the proposed agreement with the Barona Band of Mission Indians to extend public water service to the affected territory. The purpose of the OAS is twofold: (1) to provide reliable water service to support existing residential development where private wells have proven unreliable, and (2) to accommodate future development within the Reservation. The territory is located adjacent to Ramona MWD, and a complete application — including a formal letter of request from Ramona MWD — is currently pending.

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AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Priscilla Mumpower, Assistant Executive Officer

SUBJECT: **2025-2026 Workplan Status**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive an update on the adopted 2025-2026 workplan and related activities. As the fiscal year proceeds into the second quarter, 10 of the 30 special projects are substantively underway with most activity focused on the Commission's top 10 high-priority items. Ongoing projects include municipal service reviews of wholesale water providers, local healthcare districts, and the San Diego Association of Governments. Other high-priority efforts underway include the preparation of a white paper on homeless services, administration of the SALC 2.0 grant, and a website refresh project. Staff recommends the Commission formally receive and file the update with the opportunity to pull the item for discussion and feedback.

BACKGROUND

San Diego LAFCO adopted its current fiscal year workplan at a public hearing in May 2025. The workplan includes 30 special projects divided into two distinct categories – statutory and administrative – with priority assignments established by the Commission.

DISCUSSION

This item provides San Diego LAFCO with an update on special projects approved as part of the 2025-2026 Workplan. The attached status report lists all 30 projects and shows that eight of the ten high-priority projects are substantively underway.

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
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Eileen Delaney, Alt., General Public

Staff resources are currently focused on advancing the first five priority projects, all of which involve municipal service reviews. Updates on these MSRs were provided at the August 4 meeting. A separate quarterly update on the top-priority MSR — covering the San Diego County Water Authority (comprehensive review) and the Metropolitan Water District of Southern California (limited review) — is included under Agenda Item 7b. Other high- and mid-priority projects are also advancing, with additional details provided below.

Priority No. 8 | White Paper on Homeless Services
LAFCO staff has held three meetings with consultant Technical Assistance Collaborative and initiated data collection to (a) map the regional ecosystem of homeless services and (b) research performance metrics to evaluate the regional continuum of care system. The project will conclude with an overview of best practice recommendations on existing services and governance models, along with potential alternatives to improve coordination among agencies and organizations serving the homeless within the County.

Priority No. 10 | SALC Planning Grant 2.0
LAFCO staff continues to collaborate with the County's Planning and Development Services Department and consultant RICK Engineering to develop a Strategic Plan under Task 5 of the grant contract. This effort integrates findings from the Market and Gap Analyses prepared by Agricultural Impact Associates LLC and incorporates stakeholder feedback. Staff recently presented updates to the Cities Advisory Committee to solicit input which resulted in general support of advancing certain strategic plan recommendations tied to LAFCO. The associated report is provided as Attachment Two.

Priority No. 13 | Website Refresh and Content Expansion
LAFCO staff is working with consultant Chase Design to explore options for redesigning the LAFCO website, with a focus on aesthetic design, accessibility, usability, and expanded content. This project also includes redesign of the LAFCO logo as part of a broader modernization effort.

Priority No. 15 | Special Study of the Oceanside Small Craft Harbor District
LAFCO staff has initiated this study with consultant Adam Wilson. An initial stakeholder meeting with Harbor District representatives and City of Oceanside staff was held on September 24th to review the draft scope of work and gather feedback. Staff is now working to finalize a list of potential consultants with experience in Harbor District operations. The consultant will assist in evaluating the District's finances and exploring alternative governance models.

ANALYSIS

None.

RECOMMENDATION

It is recommended San Diego LAFCO receive and file the progress report. This recommendation is consistent with Alternative Action One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Receive and file the progress report on the adopted workplan.

Alternative Two:
Continue the item to the next regular meeting and provide directions to staff as needed.

Alternative Three:
Take no action.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachments:

1) 2025-2026 Workplan Status
2) Staff Report: Update to Cities Advisory Committee, SALC 2.0

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Priority	Tier	Type	Project	Description
Ongoing	…	Statutory	Applicant Proposals and Requests	Prioritize resources to address applicant proposals and related requests
Ongoing	…	Administrative	Targeted LAFCO Presentations	Coordinate timely public outreach; emphasis on informing stakeholders ahead of MSR work
Ongoing	…	Statutory	Workplan and Budget Management	Actively manage the workplan and budget resources with regular updates to the Commission

Priority	Tier	Type	Project	Description	Status
1a	Highest	Statutory	MSR | Wholesale Water Service Providers	Service-specific study on principal wholesale water suppliers – CWA (comprehensive) + MET (abbreviated)	
1b	Highest	Statutory	MSR | Healthcare Districts	Service-specific study of the four healthcare districts in San Diego County; addendum expected	
3	Highest	Statutory	MSR | SANDAG	Agency-specific study of SANDAG (transportation, housing planning, + climate adaption planning)	
4a	Highest	Statutory	MSR | Carlsbad-Encinitas Region I: Cities	Region-specific study on north coast I-5 municipalities (Carlsbad and Encinitas)	
4b	Highest	Statutory	MSR | Carlsbad-Encinitas Region II: Districts	Region-specific study on north coast I-5 districts (Carlsbad MWD, Olivenhain, Leucadia, et al.)	
6a	High	Statutory	MSR | Vista-San Marcos Region I: Cities	Regional MSR on central S-78 corridor municipalities (San Marcos + Vista)	
6b	High	Statutory	MSR | Vista-San Marcos Region II: Districts	Regional MSR on central S-78 corridor special districts (Vallecitos, Vista ID, FPDs, et al.)	
8	High	Administrative	White Paper | Homeless Services	Evaluate the scope-scale of homeless services in SD County + potential governance options	
9	High	Administrative	White Paper | Public Recreation @ City Reservoirs	Assess public recreation at City of SD's unincorporated reservoirs + potential governance alternatives	
10	High	Administrative	SALC Planning Grant 2.0	Complete multi-year grant to inform + enhance small farming operations in SD County	
11a	High-Mid	Statutory	MSR | Solana Beach – Del Mar Region I: Cities	Region-specific study on mid coast I-5 municipalities (Solana Beach and Del Mar)	
11b	High-Mid	Statutory	MSR | Solana Beach – Del Mar Region II: Districts	Regional MSR on mid coast I-5 districts (Santa Fe ID + CSA 17)	
13	High-Mid	Administrative	Website Refresh + Content Expansion	Work with outside consultant to design and launch website refresh w/enhanced end-user features	
14	High-Mid	Statutory	MSR | San Diego Unified Port District	Agency-specific study of the Port (harbor, recreation, public safety, + community development)	
15	High-Mid	Statutory	Special Study | Oceanside SCHD	Prepare special study on SCHD detailing revenues/expenses + potential governance alternatives	
16	Mid	Administrative	Outside Audit | RFP + Selection	Prepare and circulate RFP and select new outside auditor beginning with FY2025 statements	
17	Mid	Administrative	Outside Audit | FY2025	Complete outside audit of financial statements for FY25 with supplemental information	
18	Mid	Administrative	Pilot Grant Program	Establish pilot program to explore grant opportunities to help fund special projects at LAFCO	
19	Mid	Administrative	Special Districts Advisory Committee	Provide administrative support to the SDAC and hold no less than three meetings in FY2026	
20	Mid	Administrative	Cities Advisory Committee	Provide administrative support to the CAC and hold no less than two meetings in FY2026	

Priority	Level	Type	Project	Description	Status
21	Mid-Low	Statutory	RCD Ad Hoc Committee: Part II	Complete part II of RCD boundary true ups to inform sphere updates for local RCDs	
22	Mid-Low	Statutory	MSR | South Coast Region I – Cities	Region-specific study on south coast Cities (Chula Vista, Coronado, Imperial Beach and National City)	
23	Mid-Low	Statutory	MSR | Healthcare Districts: Addendum	Address community healthcare needs and related resources + potential governance alternatives	
24	Mid-Low	Administrative	Alternative Membership Organization	Work with other LAFCOs to receive/provide ongoing education and legislative advocacy services	
25	Mid-Low	Administrative	Annual Local Agency Directory	Update and publish annual local agency directory subject to LAFCO oversight	
26	Low	Administrative	Legislative Proposal | UC Berkeley Report	Sponsor/facilitate legislation implementing UC report recommendations on LAFCO efficiencies	
27	Low	Administrative	Commissioner Onboarding	Create a digital toolkit for new Commissioners to help acclimatize to LAFCO	
28	Low	Administrative	Annual SOI-MSR Registry	Update and publish annual registry showing all recorded SOI and MSR actions	
29	Low	Statutory	Applicant Procedures	Update and streamline LAFCO application materials + establish related protocols	
30	Low	Administrative	Featured Work + Tutorial Videos	Produce videos featuring special projects as well as primers on LAFCO duties for online distribution	
	Bullpen	Statutory	MSR | City of San Diego	Agency-specific study and core municipal service functions (water, wastewater, public safety, etc.)	
	Bullpen	Statutory	White Paper | Community Choice	Evaluate the scope and scale of CCAs in SD County and connectivity to LAFCO duties and interests	
	Bullpen	Statutory	Outreach to Sunset/Melrose "Island"	Perform targeted outreach to the island between Oceanside + Vista to assess service needs + possible annexation interests	
	Bullpen	Administrative	Service + Fiscal Indicators	Develop online browser feature to depict service + fiscal indicators among local agencies in SD County	
	Bullpen	Administrative	Liaison with Local Tribes	Establish communication protocols with local tribes with respect to shared interests in regional services + CEQA consultations	
	Bullpen	Statutory	Morro Hills CSD Follow Up	Coordinate and/or otherwise facilitate discussions with County Sheriff to enhance traffic enforcement within the CSD	
	Bullpen	Statutory	Policy Review | Health + Safety Fee Reductions	Review options to revise existing fee reductions for proposals/requests involving public health or safety threats	
	Bullpen	Administrative	LAFCO Meeting Room	Explore opportunities to secure a dedicated LAFCO meeting room with scaled dais and A/V enhancements	
	Bullpen	Statutory	White Paper | Garbage + Landfill Services	Evaluate the scope and scale of garbage collection and disposal services in SD County	
	Bullpen	Statutory	Legislative Proposal | G.C. 56430	Sponsor and/or facilitate amendments establishing community engagement enhancements in MSR statute	
	Bullpen	Statutory	White Paper | School Districts	Evaluate scope and scale of school districts and their baseline capacities for reference in municipal service reviews	
	Bullpen	Statutory	Policy Review | Island Annexations	Consider options to define "substantially surrounded" and provide related mapping services	
	Bullpen	Administrative	LAFCO Workshop	Organize a special workshop for the Commission to discuss strategic objectives over the next five-year period	
	Bullpen	Administrative	Public Access Television	Establish public broadcasting LAFCO meetings on local government channels	
	Bullpen	Administrative	Procedural Flow Charts	Create user friendly flow charts for various LAFCO statutory processes for online publication	
	Bullpen	Statutory	Policy | Fee Schedule Update	Review and update fee schedule to sync with current costs and related considerations	
	Bullpen	Statutory	Policy | CEQA Guidelines	Review and update existing CEQA Implementation guidelines relative to current statute and best practices	
	Bullpen	Statutory	Disadvantaged Unincorporated Communities	Update DUC mapping designations (DUC) in San Diego County based on current census information	
	Bullpen	Administrative	County Planning Groups	Monitor regular meetings of the County's 28 Planning and or Sponsor Groups and directly engage as appropriate	
	Bullpen	Administrative	Local Agency Finder Tool	Develop online feature for users to enter address to identify all overlapping local jurisdictions (cities and districts)	
	Bullpen	Statutory	Policy | Commission Rule No. 4	Modernize Rule No. 4 and its provisions to regulate special districts' service functions and classes	
	Bullpen	Statutory	Special Study | Escondido + Rincon	Study options to consolidate (functional and political) the City of Escondido and Rincon del Diablo MWD	
	Bullpen	Statutory	White Paper | JPAs	Evaluate the status of JPA filings in SD County relative to LAFCO's task in SB 1261	
	Bullpen	Administrative	Policy | Cities Advisory Committee	Coordinate with CAD in updating bylaws and related procedures to sync with current interests/priorities	
	Bullpen	Statutory	Legislative Proposal | G.C. 56133	Sponsor/facilitate amendments to clarify LAFCOs' authority to determine out-of-agency exemptions in (e)	

Complete | Near Complete | Underway | Pending

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

5a

AGENDA REPORT
Business | Discussion

September 18, 2025

TO: Cities Advisory Committee

FROM: Michaela Peters, Local Government Analyst II
Meghan Traynor, Local Government Analyst I

SUBJECT: **Update on Sustainable Agricultural Lands Conservation Grant (SALC 2.0)**

SUMMARY

The Cities Advisory Committee ("Committee") will receive an update on the Commission's ongoing Sustainable Agricultural Lands Conservation (SALC) planning grant, known as "SALC 2.0." This project is being conducted in partnership with the County of San Diego's Planning and Development Services and builds on findings from the initial SALC grant to analyze economic challenges facing small-scale agricultural operations and identify policy solutions. SALC 2.0 is currently in its fifth phase to develop a strategic plan for incentives, technical assistance, regulatory improvements, and other support mechanisms for small-scale agriculture. LAFCO staff seeks Committee input on two key topics: incorporating agricultural analysis into the municipal service review program and establishing a regional working group to promote affordable water access for farmers – including potential city participation.

BACKGROUND

Sustainable Agricultural Lands Conservation Program

SALC was created in 2014 as a component of the California Strategic Growth Council and administered by the Department of Conservation. The SALC program is primarily funded through California Climate Investments, a statewide program that provides cap-and-trade

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

funds through agricultural conservation acquisition and planning grants for programs intended to reduce greenhouse gas emissions. The principal goals of SALC are stated as:

- Protect at-risk agricultural lands from sprawl, promote growth within existing jurisdictions, maintain open space, and support a healthy agricultural economy.

- Further the purpose of Assembly Bill 32 by avoiding increases in greenhouse gas emissions associated with conversion of agricultural lands to higher-emission uses.

SALC 2.0 | San Diego LAFCO and County of San Diego PDS

In September 2022, San Diego LAFCO, in partnership with PDS submitted a planning grant application under SALC to perform a market analysis for existing and emerging crops – with a focus on small farms – while identifying government opportunities to bridge economic gaps. The Commission – notably – authorized the grant proposal as lead applicant. LAFCO was subsequently awarded a two-year grant in the full amount of $500,000 with work commencing in June 2023 and through May 2026.[1] San Diego LAFCO has since formally partnered with two consultants – Agricultural Impact Associates and Rick Engineering – in collaboration with PDS on the SALC grant and relative to its six main tasks and deliverables:

1. Grant Management
2. Market Analysis
3. Gap Analysis
4. Outreach & Education Plan
5. Strategic Plan
6. Final Report – "Cultivating Solutions"

Tasks 2 and 3 are now complete. The Market Analysis identified key cost drivers and profitability trends across the county, while the Gap Analysis highlighted the "profitability gap" in four targeted crops: strawberries, lemons, tomatoes, and avocados. These findings are now guiding the development of the Strategic Plan.

Information on public engagement to date is provided in the accompanying footnote.[2]

[1] San Diego LAFCO and PDS signed a Memorandum of Understanding (MOU) in August 2023 following the Commission's approval of a draft MOU at its August 7, 2023 meeting. The MOU formalized roles and responsibilities in proceeding with SALC 2.0 and highlighted by bisecting and designating specific tasks to San Diego LAFCO and PDS. The grant was originally scheduled through September 2025 and has since been amended to reach completion by May 2026.

[2] As part of the SALC 2.0 process, three public workshops have been conducted to engage stakeholders and gather input. The first workshop was held virtually on November 14, 2023 and served as a kickoff to provide an overview of the initiative and approach for the Market and Gap Analyses. The second workshop was held on July 24, 2024 as an in-person open house at the San Diego County Farm Bureau and featured a presentation of market analysis findings and discussion of gap analysis opportunities. The third workshop was held on January 27, 2025 at the Farm Bureau and brought together producers, industry experts, County staff, and community members to review major Gap Analysis findings.

DISCUSSION

The Committee will receive an update on the progress of SALC 2.0 and its focus on the economics of sustaining current and future small farming in the County – including draft strategic recommendations that are developed to date presented as an appendix. Committee feedback is requested with LAFCO staff seeking input on two specific policy topics:

1) Feedback on LAFCO's draft contents for an agricultural analysis to be incorporated into the municipal service review program.

2) Feedback on establishing a regional working group to promote affordable water access for farmers – including potential city participation.

ANALYSIS

San Diego LAFCO – in partnership with PDS – is making steady progress on SALC 2.0 activities as described in the preceding section. This progress is marked by remaining on pace to complete all work by Spring 2026. The current phase of the grant (Task 5) focuses on identifying actionable strategies and potential policy recommendations to mitigate profitability shortfalls identified in the Gap Analysis. The final Strategic Plan Report is scheduled for completion by October 2025 with the full SALC 2.0 report anticipated for presentation to the Board of Supervisors in Spring 2026.

RECOMMENDATION

Review and discuss as requested.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on the Committee's agenda for discussion as part of the business calendar. The following procedures are recommended in the consideration of this item:

1) Receive verbal presentation from staff and any comments from the audience.
2) Discuss item and provide feedback as requested.

Respectfully,

Michaela Peters

Michaela Peters
Local Government Analyst II

Appendix:
A. LAFCO Draft Strategic Plan Recommendations

Attachments:
1. SALC 1.0: Final Report
2. SALC 2.0: Market Analysis
3. SALC 2.0 Gap Analysis

Appendix A
LAFCO Draft Strategic Plan Recommendations

The Strategic Plan is being developed collaboratively by San Diego LAFCO staff and the County of San Diego PDS, with support from contract consultant RICK Engineering. Based on feedback from the Market and Gap Analyses, LAFCO has identified three draft recommendations for inclusion in the Strategic Plan:

1. **Integrating an Agricultural Analysis into Municipal Service Reviews:**

    - Highlight the economic contributions of agriculture within an agency's boundaries, including vendors and agritourism.

    - Map agricultural acreage within jurisdictions to highlight communities with meaningful agricultural activity for contextual analysis. In urbanized areas, consider urban agriculture and local food systems.

    - Review jurisdictional policies that support agriculture, such as water conservation, recycled water, crop swap programs, and climate-smart practices.[3]

    - Review city general plans and specific plans for relevant land use policies related to agriculture, such as the promotion of farmworker housing.

2. **Water Affordability**: Supporting the establishment of a regional working group focused on promoting affordable water access for farmers.

3. **Ongoing Reporting**: Incorporate an annual report into San Diego LAFCO's workplan to update the Commission on the progress and status of SALC 2.0 Strategic Actions.

[3] The SALC 1.0 policy inventory may serve as a valuable framework for assessing local participation in best practices, including land lease programs and other ag-supportive policies. A copy of the final report is provided as Attachment One.

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AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: **Cost-of-Living Adjustments and Related Benefit Changes**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider approving a compensation package consisting of cost-of-living adjustments and benefit enhancements consistent with recent County of San Diego actions. The proposed cost-of-living adjustments would provide 3.0% annual salary increases for all 8.0 budgeted positions across three fiscal years. The first adjustment would be effective for fiscal year 2025-2026, retroactive to June 27, 2025, with identical 3.0% increases in fiscal years 2026-2027 and 2027-2028. Additionally, flexible benefit plan allocations would increase annually for three consecutive years beginning January 1, 2026. The total estimated cost impact over the three-year period is $148,000. LAFCO has sufficient budgeted funds to cover the first-year cost of $48,000 without requiring a budget amendment. Recommendation to approve.

BACKGROUND

Adopted Compensation Policies

San Diego LAFCO's employee compensation policies establish that pay and benefits shall align with comparable County of San Diego positions to the extent possible. To implement this policy, LAFCO assigns job class designations to all employee positions that directly correspond to County job classifications with limited exceptions. These aligned classifications enable LAFCO to adopt changes in salary ranges, cost-of-living adjustments,

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
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and employee benefits in response to Board of Supervisors' actions to help ensure compensation parity and competitive positioning.

DISCUSSION

San Diego LAFCO will consider approving a three-year compensation package that includes annual cost-of-living adjustments and coordinated benefit enhancements, consistent with recent County of San Diego actions. The proposed changes are detailed below.

Cost-of-Living Adjustments

The proposed cost-of-living adjustments apply to all 8.0 budgeted positions:

Fiscal Year 2025-2026: 3.0% increase retroactive to June 27, 2025
Fiscal Year 2026-2027: 3.0% increase effective June 26, 2026
Fiscal Year 2027-2028: 3.0% increase effective June 25, 2027

Flexible Benefits Enhancement

Beginning January 1, 2026, the flexible benefit plan allocation will increase by 6% annually for three consecutive calendar years beginning January 1, 2026, providing enhanced healthcare and benefit options for all eligible employees.

ANALYSIS

The proposed changes align San Diego LAFCO's employee compensation with recent County of San Diego adjustments to help ensure LAFCO maintains competitive positioning for recruitment and retention of qualified staff. The phased implementation allows for budget planning while providing meaningful cost-of-living relief to employees given regional inflation pressures. The proposal is limited to these specific adjustments and does not include other County compensation actions, such as potential lump sum payments that may be contingent on future Board of Supervisors' decisions.

RECOMMENDATION

It is recommended San Diego LAFCO approve the proposed compensation changes as detailed. This recommendation is consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):

(a) Approve cost-of-living adjustments of 3.0% effective June 27, 2025, for all budgeted positions, followed by 3.0% increases in fiscal years 2026-2027 and 2027-2028.

(b) Approve flexible benefit plan credit increases consistent with County of San Diego actions approved June 9, 2025, based on established benefit code assignments.

(c) Authorize the Executive Officer to adjust the salary range for any budgeted position necessary to implement the approved cost-of-living adjustments.

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

Alternative Three
Take no action.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

1) County of San Diego, Adopted Ordinance, Amending Compensation Ordinance, June 24, 2025

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AN ORDINANCE AMENDING
THE COMPENSATION ORDINANCE
CLEAN VERSION

ORDINANCE NO_____(NEW SERIES)

AN ORDINANCE AMENDING THE COMPENSATION ORDINANCE SECTIONS AND ESTABLISHING COMPENSATION RELATING TO THE TENTATIVE AGREEMENTS WITH THE DDAA, PDA, SEIU, AND ESTABLISHING COMPENSATION RELATING TO SPECIFIED UNREPRESENTED AND UNCLASSIFIED EMPLOYEES

The Board of Supervisors of the County of San Diego ordains as follows:

Section 1. Appendix One of the Compensation Ordinance shall be amended to establish an increase in compensation for bargaining units designated AM, AS, DA, PD, PM, CE, CEM, and MA as follows:

Fiscal Year 2025-2026: 3.00% wage increase effective June 27, 2025
Fiscal Year 2026-2027: 3.00% wage increase effective June 26, 2026
Fiscal Year 2027-2028: 3.00% wage increase effective June 25, 2027

Section 2. Appendix One of the Compensation Ordinance shall be amended to establish an increase in compensation for bargaining units designated EM, NA, NE, NM, NS, and UM, except for grades listed in Section 4 of this document.

Fiscal Year 2025-2026: 3.00% increase to salary grade effective June 27, 2025
Fiscal Year 2026-2027: 3.00% increase to salary grade effective June 26, 2026
Fiscal Year 2027-2028: 3.00% increase to salary grade effective June 25, 2027

Section 3. Appendix One of the Compensation Ordinance shall be amended to establish an increase in compensation for bargaining units designated AE, CL, FS, HS, MM, PR, PS, RN, SS, and SW as follows:

Fiscal Year 2025-2026: 3.00% wage increase effective June 27, 2025
Fiscal Year 2026-2027: 3.50% wage increase effective June 26, 2026
Fiscal Year 2027-2028: 3.00% wage increase effective June 25, 2027

Section 4. Appendix One of the Compensation Ordinance shall amend the salary grades as reflected below.

Salary Grades	Effective Dates	Approx Annual Salary Minimum Maximum
UCE 003		
	June 27, 2025	$77,147.20 - $133,473.60
	June 26, 2026	$79,476.80 - $137,488.00
	June 25, 2027	$81,868.80 - $141,627.20
UCE 004		
	June 27, 2025	$77,147.20 - $148,595.20
	June 26, 2026	$79,476.80 - $153,067.20
	June 25, 2027	$81,868.80 - $157,664.00
NA 007		
	June 27, 2025	$88, 362.56 -$169,563.68
	June 26, 2026	$92,780.69 - $178,041.86
	June 25, 2027	$97,419.72 - $186,943.95
NA 011		
	June 27, 2025	$118,164.80 – $223,641.60
	June 26, 2026	$124,092.08 - $234,832.00

Salary Grades	Effective Dates	Approx Annual Salary Minimum Maximum
	June 25, 2027	$130,312.00 - $246,584.00
NA 014		
	June 27, 2025	$64.001.60 – $215,779.20
	June 26, 2026	$67,204.80 - $226,574.40
	June 25, 2027	$70,574.40 - $237,910.40
NE 006		
	June 27, 2025	$291,824.00 – $419,047.20
	June 26, 2026	$300,580.80 - $431,618.62
	June 25, 2027	$309,608.00 - $444,600.00
NE 007		
	June 27, 2025	$270,275.20 - $353,704.00
	June 26, 2026	$283,795.20 - $371,404.80
	June 25, 2027	$298,001.60 – $389,979.20
NE 009		
	June 27, 2025	$267,987.20 – $345,072.00
	June 26, 2026	$281,403.20 - $362,336.00
	June 25, 2027	$295,484.80 - $380,452.80
NE 010		
	June 27, 2025	$227,676.80 - $290,076.80
	June 26, 2026	$239,075.20 - $304,595.20
	June 25, 2027	$251,035.20 - $319,841.60
NE 013		
	June 27, 2025	$250,452.80 – $319,092.80
	June 26, 2026	$262,995.20 - $335,067.20
	June 25, 2027	$276,161.60 - $351,832.00
NE 019		
	June 27, 2025	$190,736.00 -$250,307.20
	June 26, 2026	$196,476.80 - $257,836.80
	June 25, 2027	$202,384.00- $265,574.40

Section 5. Appendix One of the Compensation Ordinance shall be amended for the following classifications for internal alignment compensation adjustments effective June 27, 2025, June 26, 2026, and June 25, 2027:

Job Code	Job Title	Alignment Adj.
005253	Protective Services Worker	0.40%
005800	Mitigation Specialist	1.59%
003615	Assistant Engineer	2.36%
005239	Adult Protective Services Supervisor	0.41%
005259	Protective Services Supervisor	0.12%
005203	Aging Program Specialist I	0.12%
005254	Senior Protective Services Worker	1.38%
004762	Senior Vector Control Technician	0.77%
005237	Adult Protective Services Specialist	2.49%
002777	Criminal Legal Secretary III	1.69%
006149	Telecommunications Technician III	1.99%
005235	Social Worker I	0.11%
005265	Social Worker II	0.11%
004016	Library Technician I	1.01%
005204	Aging Program Specialist II	1.57%
004765	Supervising Vector Ecologist	1.61%
002785	Legal Support Supervisor I	0.68%
002783	Legal Support Assistant II	0.87%
003942	Paralegal I	2.19%
005734	Supervising Criminalist	0.88%
005738	Criminalist I	1.15%
003507	Land Use/Environmental Planner I	0.79%
005238	Senior Adult Protective Svcs Specialist	1.37%
005736	Criminalist III	0.92%
005205	Aging Program Specialist III	0.10%

Section 6. Appendix One of the Compensation Ordinance shall be amended for the following classifications for internal alignment compensation adjustments effective June 27, 2025:

Job Code	Job Title	Alignment Adj.
002700	Office Assistant	3.5%
002715	Records Clerk	3.5%

Section 7. Appendix One of the Compensation Ordinance shall be amended by adding the 10% Protective Services Worker Classification premium into the base wage, effective June 27, 2025:

Job Code No.	Step 1 Hrly Biwkly	Step 2 Hrly Biwkly	Step 3 Hrly Biwkly	Step 4 Hrly Biwkly	Step 5 Hrly Biwkly	Step 6 Hrly Biwkly	Approx Annual Salary Minimum - Maximum
005253 – Protective Services Worker							
	34.45	36.18	37.98	39.89	42.32	44.43	$71,660.16 – $92,412.32
	2,756.16	2,894.32	3,038.64	3,190.88	3,385.36	3,554.32	

Section 8. Appendix One of the Compensation Ordinance shall be amended for the following classifications, effective June 27, 2025:

Job code no.	Step 1 Hrly Biwkly	Step 2 Hrly Biwkly	Step 3 Hrly Biwkly	Step 4 Hrly Biwkly	Step 5 Hrly Biwkly	Step 6 Hrly Biwkly	Step 7 Hrly Biwkly	Step 8 Hrly Biwkly	Step 9 Hrly Biwkly	Approx Annual Salary Min - Max	Union Code
002387 – Quality Assurance Specialist											
	49.60	52.08	54.68	57.41	60.97	64.02				$103,168.00 – $133,161.60	RN
	3,968.00	4,166.40	4,374.40	4,592.80	4,877.60	5,121.60					
002601 – Asst. Procurement Specialist											
	26.84	28.18	29.59	31.07	33.00	34.65				$55,827.20- $72,072.00	
	2,147.20	2,254.40	2,367.20	2,485.60	2,640.00	2,772.00					
002610 – Procurement Specialist											
	30.64	32.17	33.78	35.47	37.67	39.55				$63,731.20- $82,264.00	
	2,451.20	2,573.60	2,702.40	2,837.60	3,013.60	3,164.00					
002618 – Senior Procurement Contracting Officer											
	50.00	52.50	55.13	57.89	61.48	64.55				$104,000.00- $134,264.00	
	4,000.00	4,200.00	4,410.40	4,631.20	4,918.40	5,164.00					
002622 – Procurement Contracting Officer											
	43.12	45.28	47.54	49.92	52.96	55.61				$89,689.60- $115,668.80	
	3,449.60	3,622.40	3,803.20	3,993.60	4,236.80	4,448.80					
002640 – Procurement Contracting Specialist											
	36.02	37.82	39.71	41.70	44.29	46.50				$74,921.60- $96,720.00	
	2,881.60	3,025.60	3,176.80	3,336.00	3,543.20	3,720.00					
003598 – Associate Air Pollution Control Engineer											
	45.26	47.52	49.90	52.40	55.65	58.43	61.35			$94,140.80– $127,608.00	
	3,620.80	3,801.60	3,992.00	4,192.00	4,452.00	4,674.40	4,908.00				
003693 - Assistant Air Pollution Control Engineer											
	40.64	42.67	44.80	47.04	49.91	52.41	55.03			$84,531.20- $114,462.40	
	3,251.20	3,413.60	3,584.00	3,763.20	3,992.80	4,192.80	4,402.40				
003696 – Assistant Meteorologist											
	38.95	40.90	42.95	45.10	47.85	50.24	52.75			$81,016.00- $109,720.00	
	3,116.00	3,272.00	3,436.00	3,608.00	3,828.00	4,019.20	4,220.00				
003697 – Associate Meteorologist											
	43.38	45.55	47.83	50.22	53.33	56.00	58.80			$90,230.40- $122,304.00	
	3,470.40	3,644.00	3,826.40	4,017.60	4,266.40	4,480.00	4,704.00				
003698 – Senior Meteorologist											

Job code no.	Step 1 Hrly Biwkly	Step 2 Hrly Biwkly	Step 3 Hrly Biwkly	Step 4 Hrly Biwkly	Step 5 Hrly Biwkly	Step 6 Hrly Biwkly	Step 7 Hrly Biwkly	Step 8 Hrly Biwkly	Step 9 Hrly Biwkly	Approx Annual Salary Min - Max	Union Code
	49.98	52.48	55.10	57.85	61.44	64.51	67.74			$103,958.40 $140,899.20	
	3,998.40	4,198.40	4,408.00	4,628.00	4,915.20	5,160.80	5,419.20				
003713 – Senior Air Pollution Control Engineer											
	51.50	54.08	56.78	59.62	63.26	66.42	69.74			$107,120.00- $145,059.20	
	4,120.00	4,326.40	4,542.40	4,769.60	5,060.80	5,313.60	5,579.20				
003853 – Supervising Air Quality Inspector											
	45.13	47.39	49.76	52.25	55.49	58.26	61.17			$93,870.40- $127,233.60	
	3,610.40	3,791.20	3,980.80	4,180.00	4,439.20	4,660.80	4,893.60				
003854 – Air Quality Inspector II											
	38.91	40.86	42.90	45.04	47.83	50.22	52.73			$80,932.80- $109,678.40	
	3,112.80	3,268.80	3,432.00	3,603.20	3,826.40	4,017.60	4,218.40				
003855 – Air Quality Inspector I											
	33.58	35.26	37.02	38.87	41.24	43.30	45.47			$69,846.40- $94,577.60	
	2,686.40	2,820.80	2,961.60	3,109.60	3,299.20	3,464.00	3,637.60				
003856 – Air Quality Specialist											
	43.09	45.24	47.50	49.88	52.92	55.57	58.35	61.27		$89,627.20- $127,441.60	
	3,447.20	3,619.20	3,800.00	3,990.40	4,233.60	4,445.60	4,668.00	4,901.60			
004023 – Librarian III											
	39.26	41.22	43.28	45.44	48.21	50.62	53.15			$81,660.80- $110,552.00	
	3,140.80	3,297.60	3,462.40	3,635.20	3,856.80	4,049.60	4,252.00				
004024 – Librarian II											
	34.21	35.92	37.72	39.61	42.03	44.13	46.34			$71,156.80- $96,387.20	
	2,736.80	2,873.60	3,017.60	3,168.80	3,362.40	3,530.40	3,707.20				
004025 – Librarian I											
	30.94	32.49	34.11	35.82	38.04	39.94	41.94			$64,355.20- $87,235.20	
	2,475.20	2,599.20	2,728.80	2,865.60	3,043.20	3,195.20	3,355.20				
004246 – Clinical Pharmacist											
	68.33	71.75	75.34	79.11	84.02	88.22				$142,126.40- $183,497.60	
	5,466.40	5,740.00	6,027.20	6,328.80	6,721.60	7,057.60					
004250 – Pharmacist											
	61.98	65.08	68.33	71.75	76.20	80.01				$128,918.40- $166,420.80	
	4,958.40	5,206.40	5,466.40	5,740.00	6,096.00	6,400.80					

Job code no.	Step 1 Hrly Biwkly	Step 2 Hrly Biwkly	Step 3 Hrly Biwkly	Step 4 Hrly Biwkly	Step 5 Hrly Biwkly	Step 6 Hrly Biwkly	Step 7 Hrly Biwkly	Step 8 Hrly Biwkly	Step 9 Hrly Biwkly	Approx Annual Salary Min - Max	Union Code
004260 – Pharmacy Technician											
	24.09	25.29	26.55	27.88	29.61	31.09				$50,107.20-$64,667.20	
	1,927.20	2,023.20	2,124.00	2,230.40	2,368.80	2,487.20					
004914 – Peer Support Specialist											
	19.50	20.47	21.49	22.59	23.97	25.17				$40,560.00-$52,353.60	
	1,560.00	1,637.60	1,719.20	1,807.20	1,917.60	2,013.60					
005045 – Clinical Psychologist											
			49.17	51.63	54.21	56.92				$102,273.60-$118,393.60	
			3,933.60	4,130.40	4,336.80	4,553.60					
005087 – Senior Clinical Psychologist											
			52.15	54.76	58.15	61.06				$108,472.00-$127,004.80	
			4,172.00	4,380.80	4,652.00	4,884.80					
005223 – Human Services Specialist											
	21.73	22.82	23.96	25.16	26.72	28.06	29.46	30.93	32.01	$45,198.40-$66,580.80	
	1,738.40	1,825.60	1,916.80	2,012.80	2,137.60	2,244.80	2,356.80	2,474.40	2,560.80		
005397 – Senior Insect Detection Specialist											
	29.25	30.71	32.25	33.86	35.93	37.73				$60,840.00-$78,478.40	
	2,340.00	2,456.80	2,580.00	2,708.80	2,874.40	3,018.40					
005399 – Insect Detection Specialist II											
	24.25	25.46	26.73	28.07	29.78	31.27				$50,440.00-$65,041.60	
	1,940.00	2,036.80	2,138.40	2,245.60	2,382.40	2,501.60					
005400 – Insect Detection Specialist I											
	17.91	18.81	19.75	20.74	22.01	23.11				$37,252.40-$48,068.80	
	1,432.80	1,504.80	1,580.00	1,659.20	1,760.80	1,848.80					
005401 – Pest Management Technician I											
	24.35	25.57	26.85	28.19	29.94	31.44				$50,648.00-$65,395.20	
	1,948.00	2,045.60	2,148.00	2,255.20	2,395.20	2,515.20					
005402 – Pest Management Technician II											
	26.76	28.10	29.51	30.99	32.91	34.56				$55,660.80-$71,884.80	
	2,140.80	2,248.00	2,360.80	2,479.20	2,632.80	2,764.80					
005480 – Recycling Specialist II											
	34.49	36.21	38.02	39.92	42.39	44.51				$71,739.20-$92,580.80	
	2,759.20	2,896.80	3,041.60	3,193.60	3,391.20	3,560.80					
005481 – Recycling Specialist I											
	30.02	31.52	33.10	34.76	36.92	38.77				$62,441.60-$80,641.60	
	2,401.60	2,521.60	2,648.00	2780.80	2,953.60	3,101.60					

Job code no.	Step 1 Hrly Biwkly	Step 2 Hrly Biwkly	Step 3 Hrly Biwkly	Step 4 Hrly Biwkly	Step 5 Hrly Biwkly	Step 6 Hrly Biwkly	Step 7 Hrly Biwkly	Step 8 Hrly Biwkly	Step 9 Hrly Biwkly	Approx Annual Salary Min - Max	Union Code
005745 – Latent Print Examiner											
	41.41	43.48	45.65	47.93	50.85	53.39				$86,132.80-$111,051.20	
	3,312.80	3,478.40	3,652.00	3,834.40	4,068.00	4,271.20					
005760 – Senior Latent Print Examiner											
	51.88	54.47	57.19	60.05	63.71	66.90				$107,910.40-$139,152.00	
	4,150.40	4,357.60	4,575.20	4,804.00	5,096.80	5,352.00					
005764 – Public Defender Investigator I											
	38.96	40.91	42.96	45.11	47.91	50.31				$81,036.80-$104,644.80	
	3,116.80	3,272.80	3,436.80	3,608.80	3,832.80	4,024.80					
005765 – Public Defender Investigator II											
	42.39	44.51	46.74	49.08	52.07	54.67				$88,171.20-$113,713.60	
	3,391.20	3,560.80	3,739.20	3,926.40	4,165.60	4,373.60					
005766 – Public Defender Investigator III											
	49.64	52.12	54.73	57.47	61.03	64.08				$103,251.20-$133,286.40	
	3,971.20	4,169.60	4,378.40	4,597.60	4,882.40	5,126.40					
005777 – Trial Support Specialist											
	39.70	41.68	43.76	45.95	48.80	51.24				$82,576.00-$106,579.20	
	3,176.00	3,334.40	3,500.80	3,676.00	3904.00	4,099.20					
005800 – Mitigation Specialist											
	39.15	41.11	43.17	45.33	48.14	50.55				$81,432.00-$105,144.00	
	3,132.00	3,288.80	3,453.60	3,626.40	3,851.20	4,044.00					
005820 – Supervising Latent Print Examiner											
	57.05	59.90	62.90	66.05	70.08	73.58				$118,664.00-$153,046.40	
	4,564.00	4,792.00	5,032.00	5,284.00	5,606.40	5,886.40					

Section 9. Appendix One of the Compensation Ordinance shall be amended by changing the salary grades for the following job classifications in the Unclassified Service, effective June 27, 2025:

Job Code No.	Job Code Title	Approx Annual Salary Minimum Maximum	UCE Range
000317	Financial Planning and Policy Director	$129,958.40 - $257,067.20	17
000335	Clinical Director, Behavioral Health Services	$240,136.00 – $358,217.60	24
000340	Medical Director	$203,403.20 - $317,699.20	21
000376	Chief Medical Officer	$240,136.00 – $358,217.60	24

Job Code No.	Job Code Title	Approx Annual Salary Minimum Maximum	UCE Range
000987	Communications Systems Manager	$93,225.60 - $187,761.60	10
002156	Deputy Director/Inpatient/Res. Care Facility	$112,944.00 – $239,740.80	15
002221	Public Health Officer	$240,136.00 – $358,217.60	24
0004132	Sheriff's Chief Medical Officer	$240,136.00 – $358,217.60	24

Section 10. Appendix One of the Compensation Ordinance shall be amended by deleting the following job code/classifications in the classified service, effective June 27, 2025:

Job Code No.	Job Code Title
002339	Senior Risk and Insurance Analyst
002344	Insurance Coordinator
002441	Human Resources Support Supervisor
002443	ERP Systems Specialist (T)
002560	Departmental IT Coordinator (T)
003637	Supervising Deputy Public Administrator/Guardian (T)
003842	Air Pollution Test Technician (T)
004424	Pediatric Therapy Specialist Assistant (T)
004834	Mental Health Staff Development Coordinator (T)
civil005600	Deputy Public Administrator/Guardian (T)

Section 11. Appendix One of the Compensation Ordinance shall be amended by establishing the following classifications and compensation in the Unclassified Service, effective July 25, 2025:

Job Code No.	Job Code Title	Approx Annual Salary Minimum	Maximum	Vari Entry	O/T	Rep Stat	Bene Prog
000381	Sheriff's Crime & Intel Analysis Admin	$112,994.00 -	$239,740.80	Y	X	UM	UCL
000382	Sheriff's Communication & Engagement Officer	$93,225.60 -	$182,000.00	Y	X	UM	UCL
000383	Sheriff's Re-Entry Services Admin	$110,177.60 -	$225,347.20	Y	X	UM	UCL

Section 12. Appendix One of the Compensation Ordinance shall be amended to establish compensation based on market adjustments for job codes/classifications designated as CE, CEM, and MA as follows.

Fiscal Year 2025-2026: 1.49% market adjustment effective June 27, 2025
Fiscal Year 2026-2027: 1.49% market adjustment effective June 26, 2026
Fiscal Year 2027-2028: 1.49% market adjustment effective June 25, 2027

Section 13. Hereby amends Appendix Two of the Compensation Ordinance by establishing compensation based on market adjustments for job codes/classifications designated as AE, AM, AS, CL, DA, FS, HS, MM, PD, PM, PR, PS, RN, SS, and SW as listed in the attachment.

Section 14. Section 1.7.16 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 1.7.16: SHERIFF'S TRAINING PREMIUM.

A. Sheriff's Dispatcher. Eligible employees shall be paid an additional ten percent (10%) of their regular base rate for time spent providing training to newly hired staff in the areas of telephone and radio communications in the Sheriff's

Communication Center. This type of training, which applies only to the Sheriff's Communication Center, is distinguished from what is considered typical training in that this training requires eligible employees to monitor trainees' work side-by-side on a telephone or radio console and prepare evaluations to be submitted to the Supervising Sheriff's Emergency Services Dispatcher in charge of training. This premium shall be paid for time worked only.

Eligible Classes:	
002821	Sheriff's Communications Dispatcher
002822	Sheriff's Emergency Services Dispatcher

B. Sheriff's Licensing Clerk & Specialist. Employees in the classes listed below shall be paid an additional five percent (5%) of their regular base pay rate for time actually spent providing on the job training. This premium shall not apply towards paid time off or terminal payoff.

Eligible Classes:	
002733	Sheriff's Licensing Clerk I
002734	Sheriff's Licensing Clerk II
002735	Sheriff's Licensing Specialist

Section 15. Section 1.7.21 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 1.7.21 CHILD SUPPORT OFFICER LEAD PREMIUM. Eligible employees shall be paid ten percent (10%) of their base pay when assigned as a lead Child Support Officer responsible for leading a team and providing technical training guidance to other Child Support Officers. This premium shall be paid only for time worked in a lead worker position.

Eligible Classes:	
002941	Child Support Officer

Section 16. Section 1.7.38 of the Compensation Ordinance is hereby added to read as follows:

SECTION 1.7.38: AIR POLLUTION CONTROL DISTRICT AFTER-HOURS COMPLAINT PROGRAM PREMIUM. Eligible employees shall be paid a premium of ten percent (10%) of their base pay for standby time and time actually spent working on the After-Hours Complaint Program. This premium shall apply to time worked only and shall not apply toward paid time off or terminal payoff.

Eligible Classes:	
003853	Supervising Air Quality Inspector
003854	Air Quality Inspector II
003855	Air Quality Inspector I

Section 17. Section 1.7.39 of the Compensation Ordinance is hereby added to read as follows:

SECTION 1.7.39: FORENSIC CHEMICAL PREMIUM. This Premium for Crime Lab employees in classifications listed below whose principal assignment or primary responsibilities (not a collateral duty) is the analysis and identification of controlled substances in a laboratory setting only (where there is the potential exposure to hazardous chemicals and narcotics). These employees shall receive additional compensation at a rate approximately two and half percent (2.5%) above their regular base rate. This premium shall apply toward time worked and paid time off.

The selection and specific number of employees who received the Forensic Chemical Premium will be dependent on the organization's needs as determined by the appointing authority or designee.

Eligible Classes:	
005716	Forensic Evidence Technician
005719	Senior Forensic Evidence Technician

005734	Supervising Criminalist
005736	Criminalist III
005737	Criminalist II
005745	Latent Print Examiner
005760	Senior Latent Print Examiner
005820	Supervising Latent Print Examiner
005821	Supervising Forensic Evidence Technician

Section 18. Section 1.7.40 of the Compensation Ordinance is hereby added to read as follows:

SECTION 1.7.40: HOMELESS OUTREACH TEAM PREMIUM. Employees in eligible classifications shall be paid a three dollar ($3.00) per hour premium for time actually spent working on the Homeless Outreach Team in Parks properties. This premium shall apply to time worked only and shall not apply toward paid time off or terminal payoff.

Eligible Classes:	
006332	Park Ranger
006342	Senior Park Ranger
006343	Supervising Park Ranger

Section 19. Section 1.7.41 of the Compensation Ordinance is hereby added to read as follows:

SECTION 1.7.41: COVERED HEALTHCARE WORKER PREMIUM. This premium is established in accordance with the state graduated minimum wage increase (SB 525) for covered healthcare workers at facilities that meet certain requirements. The Covered Healthcare Worker premium will ensure that each individual Covered Healthcare Worker meets that minimum wage requirement for all paid hours worked by paying them the necessary premium so that the worker meets the required minimum wage. This premium shall apply to time worked and shall not apply toward paid time off or to terminal payoff.

Class:	Premium
A	$0.50 per paid hour worked. If the worker's minimum wage is between $0.01 and $0.50 below the required minimum wage, they will receive the Class A premium.
B	$1.00 per paid hour worked. If the worker's minimum wage is between $0.51 and $1.00 below the required minimum wage, they will receive the Class B premium.
C	$1.50 per paid hour worked. If the worker's minimum wage is between $1.01 and $1.50 below the required minimum wage, they will receive the Class C premium.
D	$2.00 per paid hour worked. If the worker's minimum wage is between $1.51 and $2.00 below the required minimum wage, they will receive the Class D premium.
E	$2.50 per paid hour worked. If the worker's minimum wage is between $2.01 and $2.50 below the required minimum wage, they will receive the Class E premium.
F	$3.00 per paid hour worked. If the worker's minimum wage is between $2.51 and $3.00 below the required minimum wage, they will receive the Class F premium.
Eligible classes: classes designated as AE, CL, FS, HS, MM, PR, PS, RN, SS and SW.	

Section 20. Section 1.7.42 of the Compensation Ordinance is hereby added to read as follows:

SECTION 1.7.42: EMERGENCY RESPONSE PREMIUM. Employees in eligible classifications listed below whose principal assignment is working in the Emergency Response for the Child and Family Well-Being Department shall receive additional compensation of approximately five percent (5%) above their regular base pay. This premium shall not apply towards paid time off or terminal pay.

Eligible Classes:	
005253	Protective Services Worker
005254	Senior Protective Services Worker
005259	Protective Services Supervisor

Section 21. Section 1.7.43 of the Compensation Ordinance is hereby added to read as follows:

SECTION 1.7.43: CRIME SCENE PREMIUM. This premium pay will only be provided to those Crime Lab employees designated by the appointing authority. The Crime Scene Investigation (CSI) Premium is specifically designated to those employees whose principal assignment is responding to scene investigations. The duties of a Crime Lab employee assigned the CSI premium shall include conducting forensics at scene investigations (identification, collection, preservation and transportation of physical evidence from scene investigations).

These employees shall receive additional compensation at a rate approximately two and half percent (2.5%) above their regular base rate. This premium shall not apply toward paid time off or terminal payoff. The premium provided to employees in CSI assignments shall not be considered a permanent form of additional compensation.

The selection and specific number of forensic employees designated to receive the CSI Premium will be dependent on organization needs as determined by the appointing authority or designee.

Eligible Classes:	
005716	Forensic Evidence Technician
005719	Senior Forensic Evidence Technician
005734	Supervising Criminalist
005736	Criminalist III
005737	Criminalist II
005745	Latent Print Examiner
005760	Senior Latent Print Examiner
005820	Supervising Latent Print Examiner
005821	Supervising Forensic Evidence Technician

Section 22. Subsections (c), (d), and (f) of Section 1.8.2 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 1.8.2: WORK LOCATION PREMIUMS.

(c) Employees in classes designated below who occupy positions which are assigned to institutional work locations and who are assigned to a work station located within the specified institution, facility, locked ward or unit, or other specifically identified site, as the employee's principal workstation, shall receive additional compensation of approximately ten percent (10%) above their regular base pay rate for such assignment. This premium shall apply to time worked and shall not apply toward paid time off or to terminal payoff.

Institutional Work Locations	**Classes/Principal Work Therein**	
Health & Human Services Agency		
Edgemoor	002387	Quality Assurance Specialist
	003046	Health Information Management Clerk
	004497	Assistant Director of Nursing
	004506	Director of Nursing
	004544	Supervising Nurse
	004615	Certified Nurse Assistant
	004625	Licensed Vocational Nurse
	006405	Food Services Supervisor
	007035	Health Care Agency Housekeeper
	007036	Sr. Health Care Agency Housekeeper
Polinsky Children's Center	005073	Residential Care Worker Trainee
	005074	Residential Care Worker I
	005072	Residential Care Worker II
	005075	Residential Childcare Specialist
	005091	Residential Care Worker Supervisor

(d) Positions in Medical and Detention Facility Locations. Eligible employees assigned to work at a medical or detention facility as their primary work location shall be paid twenty-five cents ($.25) per hour in addition to the salary prescribed for their class for each hour worked in the following locations.

Inpatient Units, Admissions and Screening:	
	San Diego County Psychiatric Hospital*
Initial Intake, Admissions and Screening of Kids:	
	Polinsky Children's Center
Medication Management:	
	Adult East County Mental Health Clinic
	Adult Forensic Evaluation Services
	Adult North Central Mental Health Clinic
	Grantville
	Southeast Mental Health Clinic Juvenile Forensic Services
	Rosecrans Health Services Complex
Jail Information	
Booking Section	
Release Section	
Dispensary of the Sheriff's Department	
Psychiatric Security Unit at the Jail	
East Mesa Juvenile Detention Facility	
Rock Mountain Detention Facility	
Youth Transition Campus	
Jail Kitchens	
Sheriff's Central Production Center	
Sheriff's Central Laundry	

*Effective June 27, 2025, a Pharmacy Technician (job code 004260) at San Diego County Psychiatric Hospital will no longer receive the $0.25 per hour premium, though those Pharmacy Technicians located at other qualifying facilities as outlined in subsection (d) will remain eligible. Pharmacy Technicians at the San Diego County Psychiatric Hospital are entitled to a 5% premium for their work location as outlined in Section 1.8.10.

Eligible Classes:

002403	Accounting Technician
002430	Cashier
002493	Account Clerk
002494	Payroll Clerk
002510	Senior Account Clerk
002511	Senior Payroll Clerk
002513	Senior Cashier
002521	Account Clerk Specialist
002650	Stock Clerk
002655	Sr Storekeeper
002658	Storekeeper II (T)
002660	Storekeeper
002664	Pharmacy Stock Clerk
002700	Office Assistant
002706	Admissions Clerk
002707	Senior Admissions Clerk
002709	Departmental Clerk
002715	Records Clerk

Eligible Classes:

002729	Office Support Specialist
002730	Senior Office Assistant
002745	Supervising Office Assistant
002756	Administrative Secretary I
002757	Administrative Secretary II
003046	Health Information Management Clerk
003049	Health Information Management Technician
003055	Senior Health Information Management Technician
004260	Pharmacy Technician
006405	Food Services Supervisor
006410	Senior Cook
006411	Cook
006415	Food Services Worker
006530	Laundry Worker

(f) Locked Facilities Premium. Eligible employees in the classes listed below shall be compensated an additional fifty cents ($.50) per hour for each hour worked in a locked facility in the Sheriff's Office. This premium shall apply to time worked and shall not apply towards paid time off or to terminal payoff.

Eligible Classes:	
002650	Stock Clerk
003001	Detentions Information Assistant
003002	Detention Processing Technician
005884	Building Maintenance Engineer
005885	Building Maintenance Supervisor
005905	Carpenter
005920	Electrician
005930	Mason
005940	Painter
005950	Plumber
005960	Air Conditioning & Refrigeration Mechanic
006161	Electronic Security & Systems Technician
006180	Welder
006200	Building Maintenance Assistant
006204	Carpenter Assistant
006224	Painter Assistant
006410	Senior Cook
006510	Senior Laundry Worker
007030	Senior Custodian
007099	Sheriffs Range Guard

(g) Locked Facilities Premium. Eligible employees in the classes listed below shall be compensated an additional fifty cents ($.50) per hour for each hour worked in a locked facility in the Probation Department. This premium shall apply to time worked and shall not apply towards paid time off or to terminal payoff.

Eligible Classes:	
004835	Mental Health Case Management Clinician
005050	Correctional Counselor
005197	Alcohol and Drug Program Specialist

Section 23. Section 1.8.10 of the Compensation Ordinance is hereby amended to read as follows

SECTION 1.8.10: PSYCHIATRIC HOSPITAL LOCATION PREMIUM. Employees in classifications designated below whose principal assignment is to the psychiatric hospital shall receive additional compensation at a rate of five percent (5%) above their regular base rate for such assignment. This premium shall not apply towards paid time off or terminal payoff.

Eligible Classes:

002706	Admissions Clerk
002707	Senior Admissions Clerk
004162	Medical Consultant
004196	Psychiatrist
004198	Psychiatrist Resident
004199	Psychiatrist-Specialist
004260	Pharmacy Technician
004406	Recreational Therapy Aide
004407	Recreational Therapist
004533	Inservice Education Coordinator
004615	Certified Nurse Assistant
004839	Mental Health Aide
005102	Licensed Mental Health Clinician

Section 24. Section 1.8.11 of the Compensation Ordinance is hereby added:

SECTION 1.8.11: EMERGENCY PSYCHIATRIC UNIT PREMIUM. Employees assigned to the Emergency Psychiatric Unit (EPU) shall be paid a premium of ten percent (10%) of their regular base wage rate for time worked. This premium shall apply to time worked only and shall not apply toward paid time off or terminal payoff.

Eligible Locations:
San Diego County Psychiatric Hospital
Edgemoor

Section 25. Subsection (b)(2) of Section 1.13.3 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 1.13.3: CHARGES FOR MAINTENANCE. In the following cases where full or part time maintenance is furnished, employees shall be charged the following amounts:

(b) County Owned and Maintained Housing Facilities.

(2) Charges for specific living quarters shall be based upon a determination of the class in which each house, apartment, or room shall be included, made by resolution of the Board of Supervisors. Employees shall be charged at the biweekly rate; however, when computing the charges for a portion of a biweekly pay period, the daily rate shall be used. Charges for living quarters shall be paid by employees or deducted from employees' compensation at the end of the pay period for which the living quarters are furnished.

Class	Description	Biweekly Rate
1	1 BR/1 BA Mobile Home	$62.46
2	2 BR/1 BA Mobile Home	75.03
3	2 BR/2 BA Mobile Home	87.49
4	1 BR/1 BA Apartment	62.46
5	2 BR/1 BA Apartment	86.38
6	3 BR/1 BA Apartment	87.49

Class	Description	Biweekly Rate
7	3 BR/1-1/2 – 2 BA Apartment	100.01
8	1 BR/1 BA House	75.03
9	2 BR/1 BA House	87.61
10	2 BR/2 BA House or 3 BR/1 BA House	100.01
11	3 BR/1-1/2 – 2 BA House	112.46
12	4 BR/2 BA House	287.41

Section 26. Section 1.13.10 of the Compensation Ordinance will be amended as follows:

SECTION 1.13.10: UNIFORM ALLOWANCE (INITIAL ISSUE AND MAINTENANCE / REPLACEMENT).

(a) Hard Toe Shoes/Non-slip Safety Shoes:

(1) Employees in the following classes shall be reimbursed or issued a voucher for:

Three hundred dollars ($300) for departmental approved, hard-toe shoes or non-slip safety shoes. If hard-toe shoes or non-slip safety shoes are deemed appropriate by the department for employees in other classes, these employees shall also be reimbursed or issued a voucher for three hundred dollars ($300) for departmental approved hard-toe shoes. Employees may accrue up to three (3) years' worth of reimbursement for the purchase of safety footwear. Employees who do not spend three hundred dollars ($300) in the previous fiscal year shall have up to six hundred dollars ($600) available in the second year. Employees who do not spend three hundred dollars ($300) in each of the two (2) previous fiscal years shall have up to nine hundred dollars ($900) available in the third year. Maintenance after purchase and reimbursement will be the responsibility of the employee. A portion of the reimbursement allowance can also be used for shoe repair, and inserts.

Hard-Toe Shoes/Non-Slip Safety Shoes

Eligible Classes:

006035 Equipment Operator
006036 Sr Equipment Operator
006345 Sr Park Maintenance Worker
006347 Park Maintenance Worker
007030 Sr Custodian
007035 Healthcare Agency Housekeeper
007036 Sr Healthcare Agency Housekeeper
007070 Wastewater Plant Operator II
007071 Wastewater Plant Operator I
007515 Stores Delivery Driver
007540 Construction & Services Worker
and Classes designated: CR

(2) Employees in the following classes shall be reimbursed:

Three hundred dollars ($300) upon proof of purchase of departmental approved hard-toe shoes or non-slip safety shoes. If hard-toe shoes or non-slip safety shoes are deemed appropriate by the department for employees in other classes, these employees shall also be reimbursed. Classifications listed or employees deemed appropriate for shoes, may accrue up to three (3) years' worth of reimbursement for the purchase of safety footwear. Employees who do not spend three hundred dollars ($300) in the previous fiscal year shall have up to six hundred dollars ($600) available in the second year. Employees who do not spend three hundred

dollars ($300) in each of the two (2) previous fiscal years shall have up to nine hundred dollars ($900) available in the third year. Maintenance after purchase and reimbursement will be the responsibility of the employee. A portion of the reimbursement allowance can also be used for shoe repair or the purchase of inserts, insoles, conditioning products and laces.

(a) Hard Toe Shoes.

Eligible Classes:
002650 Stock Clerk
002655 Senior Storekeeper
002660 Storekeeper
002664 Pharmacy Stock Clerk (Jail)
002713 Sheriff's Property & Evidence Specialist II
003588 Code Enforcement Officer
003715 Building/Enforcement Supervisor
004260 Pharmacy Technician (Jail Pharmacies only)
005203 Aging Program Specialist I
005204 Aging Program Specialist II
005205 Aging Program Specialist III
005397 Senior Insect Detection Specialist
005399 Insect Detection Specialist II
005400 Insect Detection Specialist I
005401 Pest Management Technician I
005402 Pest Management Technician II
005404 Supervising Pest Management Technician
005700 Animal Care Attendant
005702 Supervising Animal Care Attendant
005703 Animal Control Officer
005711 Supervising Animal Control Officer
005726 Public Assistance Investigator Trainee
005727 Public Assistance Investigator I
005728 Public Assistance Investigator II
005729 Public Assistance Investigator Supervisor
005731 Public Defender Investigator Trainee
005748 Community Services Officer
005764 Public Defender Investigator I
005765 Public Defender Investigator II
005766 Public Defender Investigator III
005785 Sheriff's Property Investigators
005787 Sheriff's Property & Evidence Manager
005793 Sheriff's Property & Evidence Custodian
006019 Road Crew Supervisor
006332 Park Ranger
006342 Senior Park Ranger
006343 Supervising Park Ranger
006405 Food Services Supervisor
006410 Senior Cook
006411 Cook
006415 Food Services Worker
007068 Wastewater Facilities Supervisor
007069 Wastewater Plant Operator III
007083 Sewer Construction & Maintenance Worker

(b) Non-Slip Safety Shoes.

Eligible Classes:

004230 Veterinary Pathologist (T)
004317 Disease Research Scientist
004318 Histology Technician

004319 Senior Histology Technician
005710 Registered Veterinary Technician
006405 Food Services Supervisor
006410 Senior Cook
006411 Cook
006415 Food Services Worker

And classes designated: AE, CL, FS, MM, PR or PS when deemed appropriate by the department.

Section 27. Section 1.14.2 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 1.14.2: CLASSIFICATION PREMIUM – 4%.

The following classifications shall be paid a premium of four percent (4%) above the employee's base pay. This premium shall apply to time worked only and shall not apply toward paid time off or terminal payoff.

Eligible Classes:	
004525	Psychiatric Nurse
004565	Public Health Nurse
004567	Senior Public Health Nurse
004570	Public Health Nurse Supervisor
005102	Licensed Mental Health Clinician

Section 28. Section 1.14.3 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 1.14.3: CLASSIFICATION PREMIUM – 3%.

The following classifications shall be paid a premium of three percent (3%) above the employee's base pay. This premium shall apply to time worked only and shall not apply toward paid time off or terminal payoff.

Eligible Classes:	
002941	Child Support Officer
002942	Supervising Child Support Officer
004108	Behavioral Health Program Manager
004538	Staff Nurse
005050	Correctional Counselor
005720	Public Assistance Investigator Manager
005726	Public Assistance Investigator Trainee
005727	Public Assistance Investigator I
005728	Public Assistance Investigator II
005729	Public Assistance Investigator Supervisor
006332	Park Ranger
006342	Sr. Park Ranger
006343	Supervising Park Ranger

Section 29. Section 1.14.9 of the Compensation Ordinance is hereby repealed:

Section 30. Sections 2.1.6, 2.1.7, 2.1.8 and 2.1.9 of the Compensation Ordinance is hereby repealed:

Section 31. Section 2.1.6 of the Compensation Ordinance is hereby added to read as follows:

SECTION 2.1.6: LUMP SUM PAYMENTS FOR FISCAL YEARS 2025-2028.

A one-time lump sum payment of $1,000 (one thousand dollars) in year one (FY 2025-2026), $500 (five hundred dollars) in year two (FY 2026-2027), and $250 (two hundred fifty dollars) in year three (FY 2027-2028) will be paid to eligible employee's contingent upon a change to the County's Reserve Policy which provides additional one-time funds.

This payment will be for all eligible regular employees who have paid service during Fiscal Year 2024-2025. The first payment will be made within two pay periods after the effective date of the Board of Supervisors changed reserve policy. An employee is not eligible to receive this one-time lump sum payment if they terminate before the first day of the payroll period in which this payment will be made. Part-time employees shall receive a pro-rated amount according to their standard hours. An employee shall not be entitled to the one-time lump sum monetary payment above if they received a one-time payment under the terms of a different bargaining unit for the same fiscal year. If an eligible employee is on paid or unpaid leave, the payment will be made when the employee returns to active County service.

The second and third-year payments will be made in payroll 02 of that year. For 2026-2027, the second paycheck date is July 31, 2026. For 2027-2028, the second paycheck date is July 30, 2027. An employee is not eligible to receive this one-time lump sum payment if they terminate before the first day of payroll 02. Part-time employees shall receive a pro-rated amount according to their standard hours. An employee shall not be entitled to the one-time lump sum monetary payment above if they received a one-time payment under the terms of a different bargaining unit for the same fiscal year. If an eligible employee is on paid or unpaid leave, the payment will be made when the employee returns to active County service.

Eligible bargaining units: AE, AM, AS, CE, CEM, CL, DA, EM, FS, HS, MA, MM, NA, NE, NM, NS, PD, PM, PR, PS, RN, SS, SW, and UM.

Section 32. Section 2.1.19 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 2.1.19: RETENTION INCENTIVE PROGRAM.

(a) Employees in classes designated DS or SM:

(i) Effective June 21, 2019: all regular employees who have 20 years of service with the County of San Diego shall receive a 2.5% retention incentive premium.

Effective June 18, 2021: the retention incentive premium will be increased to 5%.

(ii) Effective for all "new members", as defined by Government Code section 7522.04(f), hired into DS or SM bargaining units on or after implementation of Safety Tier D, shall receive an additional retention premium of 5% at 25 years of service with the County of San Diego.

(b) Employees in classes designated PO:

(i) Effective September 8, 2023: all regular employees who have 20 years of service with the County of San Diego shall receive a 2.5% retention incentive premium.

(c) Employees in classes designated SO:

(i) Effective September 22, 2023: all regular employees who have 20 years of service with the County of San Diego shall receive a 2.5% retention incentive premium.

(d) Employees in classes designated CC, CE, CEM, CM, CR, CS, EM, MA, NA, NE, NM, NR, or UM:

(i) Effective July 1, 2022: all regular employees enrolled in General Tier D retirement who have 20 years of service with the County of San Diego shall receive a 5% retention incentive premium.

(ii) Effective July 1, 2022: all regular employees enrolled in General Tier D retirement who have 25 years of service with the County of San Diego shall receive an increase of 5% to the retention incentive premium for a total of 10%.

(iii) Effective for all "new members", as defined by Government Code section 7522.04(f), hired into CC, CE, CEM, CM CR, CS, EM, MA, NA, NE, NM, NR, or UM bargaining units.

(e) Employees in classes designated AE, AM, AS, CL, DA, FS, HS, MM, PD, PM, PR, PS, RN, SS, or SW:

(i) All employees enrolled in General Tier D retirement (established July 1, 2018), will receive a retention premium of 2.5% for 15 years of service with the County of San Diego and an additional 2.5% for 20 years

of service with the County of San Diego and an additional 5% for 25 years of service with the County of San Diego.

(ii) Effective for all "new members", as defined by Government Code section 7522.04(f), hired into AE, AM, AS, CL, DA, FS, HS, MM, PD, PM, PR, PS, RN, SS, or SW bargaining units.

Section 33. Section 3.5.4 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 3.5.4: SEVERANCE PAY. If terminated by the appointing authority, or where there is a resignation in lieu of termination, an employee in the Unclassified Service may be eligible to receive severance pay, upon approval of the Chief Administrative Officer or, in the case of Board appointed Executive Management positions, the Board of Supervisors~~;~~ The severance benefits are conditioned on the employee entering into an enforceable and irrevocable general release in favor of the County and all affiliates within 30 days following the termination date. However, no severance pay may be offered or paid if termination, or where there is a resignation in lieu of termination, is for reasons of malfeasance in office or conviction of a crime involving moral turpitude.

Section 34. Section 3.6.2 of the Compensation Ordinance is hereby repealed:

Section 35. Subsections (h)(1), (h)(2) and (h)(3) of Section 4.2.2 of the Compensation Ordinance is hereby amended to read as follows:
SECTION 4.2.2: SICK LEAVE.

(h) Conversion of Sick Leave Credits to Cash or Retirement at Termination

(1) Except as otherwise provided, eligible employees, who have reached the age of fifty-five (55) (age fifty (50) for employees in classes designated SM or in classes 000260 and 000265) in the classes listed below, upon retirement, deferred retirement, disability retirement from County Service, or death, may elect to convert sick leave credits to cash or retirement service credit as follows:

(a) Eligible employees may convert all or a portion of their sick leave balance to cash at fifty percent (50%) of its value, except as otherwise provided in subsection 4.2.2(h)(2). One hundred percent (100%) of all sick leave credits that are paid to the employee in cash at fifty percent (50%) of their value will be removed from the employee's sick leave balance.

(b) Eligible employees may, upon retirement, deferred retirement, disability retirement from County Service, or death, convert all or a portion of their sick leave balance into retirement service credits subject to the rules and regulations of the San Diego County Employees' Retirement Association, provided that:

i. The employee has completed five (5) or more years of continuous service during that employee's present employment; and
ii. The employee's sick leave balance totals one hundred (100) hours or more.

(c) Eligible employees who have reached the age of fifty-five (55) (age fifty (50) for employees in the classes designated SM or in classes 000260 and 000265) but not satisfied (a) or (b) shall receive cash at fifty percent (50%) of the value of that employee's accumulated sick leave credits. Employees in bargaining units EM, NA, NE, NM, and UM with 15 or more but less than 20 years of service, shall receive cash at seventy-five percent (75%) of the value of their accumulated sick leave credits. Employees in bargaining units EM, NA, NE, NM, and UM with 20 or more years of service shall receive one hundred percent (100%) of the value of their accumulated sick leave credits.

Eligible Classes: Classes designated EM, NA, NE, NM, SM, and UM

(2) Eligible employees who have not reached the age of fifty-five (55) (age fifty (50) for employees in the classes designated SM or in classes 000260 and 000265) in the classes listed below, who retire, voluntarily terminate, or die, shall receive cash at fifty percent (50%) of the value of that employee's accumulated sick leave credits. Employees in bargaining units EM, NA, NE, NM and UM with 15 or more but less than 20 years of service, shall receive cash at seventy-five percent (75%) of the value of their accumulated sick leave credits. Employees in bargaining units EM, NA, NE, NM, and UM

with 20 or more years of service shall receive one hundred percent (100%) of the value of their accumulated sick leave credits.

Eligible Classes: Classes designated EM, NA, NE, NM, SM, and UM

(3) The entire amount of the advanced sick leave credits provided in section 4.2.2(c)(3) may not be eligible for retirement conversion upon separation from the County. Advanced sick leave hours will become convertible to cash pursuant to this section as they are earned under the provisions of 4.2.2(c).

Eligible Classes: Classes designated EM, NA, NE, NM, SM, and UM

Section 36. Section 4.2.21 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 4.2.21: PROFESSIONAL TIME OFF.

(a) Employees in Classes Designated PD and PM.

(1) General. At the discretion of the Appointing Authority and in accordance with any guidelines the Appointing Authority may issue, an employee may be granted professional time off not to exceed a maximum of one hundred twenty (120) hours per fiscal year. The Appointing Authority's decision on whether to grant professional time off shall be based on an employee's overall workload associated with assigned projects and caseload.

(2) Use of Professional Time Off.

(a) Must be approved by the Appointing Authority or the Appointing Authority's designee, either orally or in writing, prior to the commencement of the leave.

(b) Shall be limited to a cumulative maximum of one hundred twenty (120) hours in a fiscal year.

(c) Shall be limited to increments of eight (8) hours, which shall constitute a full workday.

(d) Shall not accumulate or be earned as a matter of right.

(e) Has no cash value and is ineligible for terminal payoff.

(b) Employees in Classes Designated CC and CS.

(1) General. At the discretion of the County Counsel and in accordance with the standards issued on November 17, 2003, as interpreted by memoranda dated May 12, 2004 and April 18, 2005, an employee may be granted professional time off (PTO) not to exceed a maximum of one hundred twenty (120) hours per fiscal year. The decision on whether to grant Professional Time Off shall be based on the guidelines applicable to PTO, and shall take into account an employee's overall workload involving assigned projects and cases. In addition to the above referenced guidelines applicable to PTO, Professional Time Off is subject to the following conditions:

(2) Conditions.

(a) Requests for PTO must be submitted on the Office's Leave of Absence slip and acted upon by the Appointing Authority (or his designee) prior to the commencement of the requested leave.

(b) PTO shall be limited to a maximum of one hundred twenty (120) available hours each fiscal year.

(c) PTO shall be limited to increments of full workdays.

(d) PTO has no cash value and is ineligible for terminal payoff.

(c) Employees in Classes Designated AM, AS, and DA.

(1) General. At the discretion of the Appointing Authority and in accordance with any guidelines the Appointing Authority may issue, an employee may be granted professional time off not to exceed a maximum of two hundred forty (240) hours per fiscal year. The Appointing Authority's decision on whether to grant professional time off shall be based on an employee's overall workload associated with assigned projects and caseload.

(2) Use of Professional Time Off.

(a) Must be approved by the Appointing Authority or the Appointing Authority's designee, either orally or in writing, prior to the commencement of the leave.

(b) Shall be limited to a cumulative maximum of two hundred forty (240) hours in a fiscal year.

(c) Shall be limited to increments of eight (8) hours, which shall constitute a full workday.

(d) Shall not accumulate or be earned as a matter of right.

(e) Has no cash value and is ineligible for terminal payoff.

Section 37. Section 4.2.28 of the compensation ordinance is hereby added to read as follows:

Section 4.2.28: PAID EMERGENCY LEAVE.

In the event of a natural disaster or other emergency, the Chief Administrative Officer (CAO) may authorize up to 80 hours of paid leave for employees directly impacted by the event. The CAO shall determine the conditions, eligibility, and method of payment for such leave.

Eligible bargaining units: AE, AM, AS, CE, CEM, CL, DA, EM, FS, HS, MA, MM, NA, NE, NM, NS, PD, PM, PR, PS, RN, SS, SW, and UM

Section 38. Subsection (d) of Section 5.1.6 of the Compensation Ordinance is hereby amended to read as follows:

SECTION 5.1.6: FLEXIBLE BENEFITS PLAN. A flexible benefits plan, which is in accordance with Section 125 of the Internal Revenue Code, is authorized for eligible employees.

(d) County Contributions Toward Flexible Benefit Plan. Insurance premium costs shall be borne by the employee excepting that the County shall make the following contribution toward the Flexible Benefits Plan (which includes health insurance). The employee's insurance premium costs will be reduced by the amount the employee elects to distribute to their insurance premium costs from the County's contribution toward the Flexible Benefits Plan. The County's contribution toward the Flexible Benefits Plan shall be:

(1) Employees in classes designated EM, EO, NA, NE, NS, and UM under the UCL Benefit Program.

Effective January 1, 2025:	Monthly
Employee Only	$ 1,048.00
Employee + 1 Dependent	1,523.00
Employee + 2 or More Dependents	2,132.00

Effective January 1, 2026 (6% increase):	Monthly
Employee Only	$ 1,111.00
Employee + 1 Dependent	1,614.00
Employee + 2 or More Dependents	2,260.00

Effective January 1, 2027 (6% increase):	Monthly
Employee Only	$ 1,178.00
Employee + 1 Dependent	1,711.00
Employee + 2 or More Dependents	2,396.00

Effective January 1, 2028 (6% increase):	Monthly
Employee Only	$ 1,249.00
Employee + 1 Dependent	1,814.00
Employee + 2 or More Dependents	2,540.00

(2) Employees in classes designated CE under the CNM and CEM, and MA, under the MGT Benefit Programs.

Effective January 1, 2025:	Monthly
Employee Only	$ 952.00
Employee + 1 Dependent	1,423.00
Employee + 2 or More Dependents	2,023.00

Effective January 1, 2026 (6% increase):	Monthly
Employee Only	$1,009.00
Employee + 1 Dependent	1,508.00
Employee + 2 or More Dependents	2,144.00

Effective January 1, 2027(6% increase):	Monthly
Employee Only	$1,070.00
Employee + 1 Dependent	1,598.00
Employee + 2 or More Dependents	2,273.00

Effective January 1, 2028 (6% increase):	Monthly
Employee Only	$1,134.00
Employee + 1 Dependent	1,694.00
Employee + 2 or More Dependents	2,409.00

(3) Employees in classes designated CM or CR.

Effective January 1, 2025:	Monthly
Employee Only	$ 872.00
Employee + 1 Dependent	1,323.00
Employee + 2 or More Dependents	1,925.00

(6) Employees in classes designated AM, AS and DA under the DA Benefit Program; PD and PM under the PD Benefit Program.

Effective January 1, 2025:	Monthly
Employee Only	$ 898.00
Employee + 1 Dependent	1,323.00
Employee + 2 or More Dependents	1,906.00

Effective January 1, 2026 (6% increase):	Monthly

Employee Only	$ 952.00
Employee + 1 Dependent	1,402.00
Employee + 2 or More Dependents	2,020.00

Effective January 1, 2027 (6% increase):	Monthly
Employee Only	$ 1009.00
Employee + 1 Dependent	1,486.00
Employee + 2 or More Dependents	2,141.00

Effective January 1, 2028 (6% increase):	Monthly
Employee Only	$ 1,070.00
Employee + 1 Dependent	1,575.00
Employee + 2 or More Dependents	2,269.00

(9) Employees in classes designated AE, CL, FS, HS, MM, PR, PS, RN, SS, and SW.

Effective January 1, 2025:	Monthly
Employee Only	$ 872.00
Employee + 1 Dependent	1,323.00
Employee + 2 or More Dependents	1,925.00

Effective January 1, 2026 (6% increase):	Monthly
Employee Only	$ 924.00
Employee + 1 Dependent	1,402.00
Employee + 2 or More Dependents	2,041.00

Effective January 1, 2027 (6% increase):	Monthly
Employee Only	$ 979.00
Employee + 1 Dependent	1,486.00
Employee + 2 or More Dependents	2,163.00

Effective January 1, 2028 (6% increase):	Monthly
Employee Only	$ 1,038.00
Employee + 1 Dependent	1,575.00
Employee + 2 or More Dependents	2,293.00

(10) Employees in classes designated NM under the MGT Benefit Program.

Effective January 1, 2025:	Monthly
Employee Only	$ 952.00
Employee + 1 Dependent	1,423.00
Employee + 2 or More Dependents	2,023.00

Effective January 1, 2026 (6% increase):	Monthly
Employee Only	$1,009.00
Employee + 1 Dependent	1,508.00
Employee + 2 or More Dependents	2,144.00

Effective January 1, 2027 (6% increase):	Monthly
Employee Only	$1,070.00
Employee + 1 Dependent	1,598.00
Employee + 2 or More Dependents	2,273.00

Effective January 1, 2028 (6% increase):	Monthly
Employee Only	$1,134.00
Employee + 1 Dependent	1,694.00
Employee + 2 or More Dependents	2,409.00

(11) Employees in classes designated CC and CS under the CC Benefit Program

Effective January 1, 2025:	Monthly
Employee Only	$ 898.00
Employee + 1 Dependent	1,323.00
Employee + 2 or More Dependents	1,906.00

Section 39. Operative Dates. Operative dates by specified section are listed in the table below.

Section Number	Operative Date
Sections 1-5	6/27/25 6/26/26 6/25/27
Sections 6-10	6/27/25
Section 11	7/25/25
Sections 12-13	6/27/25 6/26/26 6/25/27
Sections 14-37	6/27/25
Section 38	1/1/26 1/1/27 1/1/28

APPROVED AS TO FORM AND LEGALITY
Claudia G. Silva, County Counsel

BY: Amanda Johnston, Senior Deputy County Counsel

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AGENDA REPORT
Consent | Information

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Meghan Traynor, Analyst I
Pat Bouteller, LAFCO Consultant

SUBJECT: **Legislative Report**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report on legislation introduced this session relevant to the agency's regulatory and planning responsibilities. The item also provides an update on the Commission's interest and related workplan direction to pursue legislation addressing recent recommendations in a U.C. Berkeley study to expand LAFCOs' ability to proactively extend water and wastewater services to communities in need. The item is being presented for information with the opportunity for the Commission to pull for discussion and provide additional feedback.

BACKGROUND

Legislative Resources and Deadlines

San Diego LAFCO staff actively monitors pending and proposed legislation affecting the Commission's regulatory and planning responsibilities consistent with the workplan. Staff resources are supplemented through coordination with other agency members of the Alliance of California LAFCOs (ACL) on legislative inquiries, proposals, and positions. September 12th marked the last day for each house to pass bills with the California Legislature's adjourning its regular 2025 session on September 13, 2025. The 2026 session is scheduled to commence on January 5, 2026.

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann, Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

DISCUSSION

San Diego LAFCO will receive a legislative report on active bills of interest to the agency's regulatory and planning responsibilities. The item also provides a related update on the Commission's workplan direction to pursue a future bill to implement recommendations made recently in a U.C. Berkeley report to expand LAFCOs' ability to facilitate water and wastewater services. The item has been placed on consent for information purposes with the opportunity for the Commission to pull for discussion if interested.

Active Bills

This report follows the recent conclusion of the first year of the two-year session. Approximately 2,300 legislative proposals were introduced this session with nine having elevated interest to San Diego LAFCO given their potential direct and indirect impacts on the Commission and/or local agencies under its oversight. Four of these bills – AB 448, AB 351, AB 810 and SB 740 – did not pass out of the first house. Three of these bills – AB 339, SB 777, and SB 489 – passed the legislature and are now pending the Governor's signature, while two others – AB 259 and AB 356 – have become two-year bills. These nine bills of interest are summarized below with their status.

Bills of Interest:
Failed to Pass 1st House

- **AB 448 (Patel, Darshana)**
  Extend Loan Repayment for Palomar Healthcare District
  This bill is of local interest and authorizes the State Treasurer's Office to extend and, if necessary, restructure a previously issued bridge loan to Palomar Healthcare District. The Commission took a support position on this bill in June given the extension provides administrative flexibility for Palomar to meet repayment obligations while continuing to provide essential healthcare services – including operating the only emergency room within the Escondido-Valley Center region. No substantive amendments were made to the bill to date after it was re-referred to the Assembly Appropriations Committee.

- **AB 351 (McKinnor, Tina)**
  Campaign Contributions Involving Agency Officers
  This bill is of statewide interest and proposes to raise the contribution limit for agency officers involved in permit or license proceedings under the Political Reform Act from $500 to $1,500. It also provides for future adjustments tied to inflation, based on changes in the Consumer Price Index. Although not the target of the bill, it is possible certain LAFCO actions – such as out-of-agency service approvals – could apply. The bill failed to pass out of committee in the Assembly on April 30, 2025, with a motion for reconsideration granted.

- **AB 810 (Irwin, Jacqui)**
  Government Website and Email Address Domains
  Existing law requires that a local agency that maintains an internet website for use by the public to ensure that the internet website uses a .gov top-level domain or a .ca.gov second-level domain no later than January 1, 2029. This bill is of statewide interest and would extend the due date for compliance with this law for special districts, joint powers authorities (including San Diego LAFCO) to January 1, 2031, while maintaining the January 1, 2029, deadline for cities and counties. A hearing of the bill by the Assembly Appropriations Committee was postponed on May 23, 2025.

- **SB 740 (Rubio, Susan)**
  Municipal Wastewater Filings with LAFCOs
  This bill is of statewide interest and proposes extending the deadline for municipal wastewater agencies to notify LAFCOs of new or amended agreements related to stormwater management services from 30 days to 40 days. The intent is to provide agencies with additional administrative flexibility in meeting reporting requirements. The bill did not pass out of the Senate by the June 6th deadline.

Bills of Interest:
Two-Year Bills

- **AB 259 (Rubio, Blanca)**
  Open Meetings and Continued Access to Teleconferences
  This bill is of statewide interest and would extend the authorization for legislative bodies of local agencies – including LAFCOs – to use modified teleconferencing procedures during declared emergencies through January 1, 2030. It preserves existing requirements related to public notice and agenda posting while allowing remote participation under defined emergency conditions. San Diego LAFCO adopted a support position on March 2nd. The bill passed the Assembly and a hearing of the bill by Senate Committees on Local Government and Judiciary have been postponed with it now reverting into a two-year bill.

- **AB 356 (Patel, Darshana)**
  Healthcare Districts in Northern San Diego County
  This bill is of local interest and was initially introduced to establish a state-directed working group to assess healthcare access in northern San Diego County and focusing on the Palomar Healthcare District's service area. In response to the Commission taking a support-if-amended position, the bill has been updated to include LAFCO as one of the listed stakeholders and in doing so providing connectivity to the Commission's oversight of Palomar and current municipal service review activities. LAFCO Consultant Adam Wilson provided supportive testimony for the author in conjunction with her accepting the Commission's amendments. While the bill passed through the Assembly, amendments requested by other stakeholders are currently under review, with the author agreeing to transition to a two-year bill.

Bills of Interest:
Passed Legislature + Awaiting Governor Signature

- **AB 339 (Ortega, Liz)**
  Local Public Employee Organizations: Notice Requirements
  This bill is of statewide interest and would require public agencies regulated by the Meyers-Milias-Brown Act to provide recognized employee organizations or unions with at least 60 days' written notice before issuing requests for proposals or quotes, or before renewing or extending existing contracts that cover services within the scope of job classifications represented by the recognized employee organization. San Diego LAFCO employees are not presently represented by a recognized employee organization though most agencies under its oversight have labor organizations.

- **SB 777 (Richardson, Laura)**
  Expanding LAFCOs Role to Include Endowment-Funded Cemeteries
  This bill is of statewide interest and was initially introduced to require LAFCOs to identify local agencies to assume ownership and long-term maintenance responsibilities for abandoned (private) endowment-funded cemeteries, including title and fund transfers coordinated with the Cemetery and Funeral Bureau's procedures. In response to stakeholder feedback, the bill has been amended to remove direct mandates on LAFCOs and instead establish a state-convened working group with LAFCO participation – set to convene by March 1, 2026 – to evaluate the issue and develop policy recommendations.

- **SB 489 (Arreguín, Jesse)**
  Permit Streamlining Act
  This bill is of statewide interest and would improve the Permit Streamlining Act (PSA) by requiring all public agencies post online the information necessary for a housing development application to be deemed complete. The intent is to reduce costly delays in the permitting process and facilitate approval and construction of housing. LAFCO will be required to comply with these PSA requirements to post application information online for applications in connection with housing development projects. SB 489 would not apply any other provisions of the PSA to LAFCO approvals.

U.C. Berkeley Proposal

In January 2024, a report published by UC Berkeley's Agriculture and National Resources Department (Professor Kristin Dobbin and PhD Candidate Justin McBride) examined the relationship between State regulators and LAFCOs in economizing and improving public water systems through notional consolidations to ensure safe and dependable drinking water, particularly for disadvantaged communities. An update on the implementation of the recommendations of this report was provided to the Commission on March 3, 2025. [1]

[1] Link: San Diego LAFCO March 3, 2025 Agenda Report on UC Berkeley Legislative Effort

San Diego LAFCO and other stakeholders are working to refine the language of the proposed amendments to LAFCO statute while also preparing to engage with key state legislators in the upcoming legislative cycle to identify an author for the measure. The proposed amendments include the following:

Empowering LAFCOs to Initiate Annexations

- Amending California Government Code 56375(a) and its enumeration of LAFCO initiating powers to include change of organizations or reorganizations necessary to provide timely water or wastewater services consistent with community needs.

Amplifying MSRs' Role in Communicating Community Needs

- Amending California Government Code 56430 and its provisions on preparing municipal service reviews to require LAFCOs to take up these studies at noticed hearings as well as require the affected agencies to formally receive the studies at their own noticed hearing and provide confirmation in doing so back to LAFCOs.

Addressing Service Barriers for Mutual Water Companies and Mobile Home Parks

- Amending California Government Code 56036 and its definition of "special district" for LAFCO purposes to include mutual water companies. Similarly, amend California Corporations Code Section 14300 to expand the definition of mutual water companies to capture mobile homes.

Further updates on this legislative effort in coordination with Alameda, Butte, Napa, Orange County and Sacramento LAFCOs will be provided to the San Diego LAFCO Commission as they become available.

ANALYSIS

In the upcoming legislative session, San Diego LAFCO will focus its legislative monitoring on the two aforementioned two-year bills – AB 259 and AB 356 – in addition to providing updates on the pending signature of AB 339, SB 777, and SB 489. Staff will continue to report on additional legislative items of interest to the Commission as they arise, including the UC Berkeley legislative effort carried out in coordination with five other LAFCOs.

RECOMMENDATION

This item is presented to the Commission for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on the Commission's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of the Executive Officer,



Meghan Traynor
Analyst I

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AGENDA REPORT
Consent | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Aleks Giragosian, Assistant Commission Counsel

SUBJECT: **Request to Join an Amicus Brief in Support of Monterey LAFCO**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a request from Monterey LAFCO to join an amicus brief supporting Monterey's appeal of a trial court decision with potential precedent-setting implications for all LAFCOs. The request includes contributing up to $1,200 toward proportional funding of the legal filing, which will be prepared under contract with Nossaman LLP. Staff recommends approval based on the direct benefit to San Diego LAFCO of establishing legal precedent that affirms LAFCO actions need only be supported by substantial evidence as provided under LAFCO law, rather than more restrictive legal standards that could limit LAFCO authority.

BACKGROUND

Monterey Peninsula Water Management District v. Monterey LAFCO

In 2022, Monterey LAFCO denied an application seeking activation of latent powers for the Monterey Peninsula Water Management District to provide retail water service. The District challenged the decision in court, asserting LAFCO exceeded its discretion in considering relevant factors. While the trial court acknowledged that some reasons cited by Monterey LAFCO were well-supported by substantial evidence, the court ruled in favor of the District,

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

determining that LAFCO's decision lacked a "rational connection." Monterey LAFCO is now appealing, arguing the trial court misapplied the legal standard by requiring more than what the Cortese-Knox-Hertzberg Act specifies. Under the Act, LAFCO decisions may only be overturned if they lack "substantial evidence" and cause substantial harm (Gov. Code, § 56107, subd. (c)).

DISCUSSION

This item is for San Diego LAFCO to consider a request to join an amicus brief supporting Monterey LAFCO's appeal of a trial court decision that applied a stricter legal standard than required under LAFCO law. The case involves whether LAFCO decisions should only need "substantial evidence" to be upheld in court, or if they must also demonstrate a "rational connection" as the trial court ruled. The request includes a monetary contribution of up to $1,200 toward the cost of preparing the amicus filing.[1]

ANALYSIS

The request before San Diego LAFCO offers a strategic opportunity to protect LAFCOs' decision-making authority under existing law. Allowing the trial court's heightened "rational connection" standard to stand could make all LAFCO decisions more vulnerable to legal challenges beyond statutory requirements. The modest funding contribution could preserve LAFCO's right to make decisions based on substantial evidence alone.

RECOMMENDATION

It is recommended that San Diego LAFCO approve the request by Monterey LAFCO to join the amicus brief for reasons detailed and consistent with Alternative Action One below.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):

(a) Authorize San Diego LAFCO to file an amicus brief in support of Monterey LAFCO's appeal of the lower court decision in Monterey Peninsula Water Management District v. Monterey LAFCO.

(b) Authorize the expenditure of up to twelve hundred dollars - $1,200 - from Professional Services in the FY2026 operating budget to fund the amicus brief.

(c) Authorize the Executive Officer to take all other steps necessary to participate in the appeal as an amicus.

[1] Other LAFCOs joining the amicus brief to date are Sacramento, San Mateo, Orange, Los Angeles, and Marin.

Alternative Two:
Continue to the next regular meeting and provide direction to staff as needed.

Alternative Three
Take no action.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Keene Simonds
Executive Officer

Attachment:

1) Lower Court Decision: Monterey Peninsula Water Management District v. Monterey LAFCO

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ELECTRONICALLY FILED BY
Superior Court of California,
County of Monterey
On 10/25/2023
By Deputy: Conder, Perla

SUPERIOR COURT OF CALIFORNIA
COUNTY OF MONTEREY

Monterey Peninsula Water Management District Petitioner(s)/Plaintiff(s) vs. Local Agency Formation Commission of Monterey County, et al. Respondent(s)/Defendant(s)	Case No.: 22CV000925 INTENDED STATEMENT OF DECISION

The instant matter came on for hearing and trial on the merits on September 21, 2023 at 8:30 a.m. in Department 15. Petitioner Monterey Peninsula Water Management District ("MPWMD") was represented by Edward Schexnayder and Peter Damrosch. Respondent Local Agency Formation Commission ("LAFCO") was represented by Richard Egger and Reed Gallogly. Intervenor California-American Water Company ("Cal-Am") was represented by George Soneff.

Oral argument was heard, and the Court allowed the parties until October 12, 2023 to file additional citations to the administrative record, at which time the matter would be taken under submission.

Now, at a later time, the Court rules that a peremptory writ of mandate shall issue, as follows, for the reasons set forth below:

I. Factual and Procedural Background

This petition for writ of mandate filed by Petitioner Monterey Peninsula Water Management District ("Petitioner," "MPWMD" or "District") against Respondents Local

Agency Formation Commission[1] of Monterey County ("Monterey LAFCO" or the "Commission" or "LAFCO") and the Commissioners of LAFCO (collectively "Respondents"), arises out of the ongoing saga involving water management in Monterey County.

By way of brief background, the Petition alleges that on November 6, 2018, Monterey voters approved Measure J which directed the District to acquire all the assets of California-American Water ("Cal-Am"), the private utility that has owned and operated the Monterey Water System ("MWS") for more than 55 years.[2] Proponents of the measure contended that Cal-Am had mismanaged the MWS for decades, leading to recurring moratoria on water connections and some of the highest water rates in the country. Following Measure J's adoption, the District has worked to comply with the voters' directive to acquire Cal-Am's system. The District prepared an economic feasibility study in 2019 and an environmental impact report ("EIR") in 2020 to study acquisition of the Cal-Am system. In 2020, Cal-Am also filed a lawsuit in this Court to challenge the District's EIR (Case No. 20CV003201), but this Court concluded on November 19, 2021 that Cal-Am's suit was meritless.

As further alleged in the petition, the District applied to Monterey LAFCO to annex 58 parcels, update its Municipal Service Review and Sphere of Influence Study, and activate its "latent power"[3] to sell water to retail customers, a power the District believes it has already used but felt Monterey LAFCO approval would reinforce. However, throughout the Monterey LAFCO proceedings, Cal-Am repeatedly demanded additional studies and raised various concerns regarding the District's proposal. In response, Monterey LAFCO hired an independent financial consultant who concluded the District's proposal would result in cost savings to Cal-Am's customers under a range of reasonable assumptions. The Monterey LAFCO Executive Officer agreed and recommended that Respondents approve the District's proposal, but on

[1] Local agency formation commissions are agencies that oversee the physical boundaries and structures of local governments.

[2] The text of Measure J appears at AR 9679-9681.

[3] The Cortese-Knox-Hertzberg Local Government Reorganization Act ("CKH"), Government Code sections 56000 et seq., which governs LAFCO proceedings, includes a procedure for special districts to request activation of a "latent service or power" – a power granted by enabling legislation but that a district does not currently exercise.

December 6, 2021, following relentless lobbying by Cal-Am, the Monterey LAFCO Commissioners voted 5-2 to reject the staff's recommendation.

The District contends that multiple Monterey LAFCO Commissioners were biased against the District, including one Commissioner who openly stated his belief that public agencies were incapable of providing services effectively and another Commissioner who co-authored the official ballot argument against Measure J. For example, the District pleads that Commissioner Gourley, who introduced the motion to deny staff's recommendation, expressed animus against public entities providing public services, stating: "I'm definitely from a private sector [background], not the public sector. I don't think the government can run anything efficiently, and I think we've seen that." Additionally, Petitioner contends Commissioner Poitras demonstrated bias on behalf of the Monterey County Regional Fire District ("Fire District") and against the proposal, stating: "The district I represent, personally, is Monterey County Regional Fire District. They are slated to lose $140,000 per year if this goes through. That is a considerable concern to me." Commissioner Poitras further indicated that he had been coordinating with the Fire District and represented that district's unique interests.

The District further asserts that the Commission voted to reject the District's proposal without a written basis for its decision, but then instructed staff to prepare a post-hoc resolution to justify the decision. Lastly, the District alleges the Commission's final resolution departed from the grounds of the December 6 deliberations in significant ways, omitting some of the Commissioners' indefensible statements and citing new evidence that went unmentioned at the December 6 hearing.

On January 31, 2022, the District sought reconsideration of the Monterey LAFCO decision and also requested that several of the Commissioners recuse themselves from further consideration of the District's proposal. On February 28, 2022, the Commission denied those requests and terminated the proceeding.

The District filed the present First Amended Petition for Writ of Mandate, alleging that Respondents' decision failed to satisfy the requirements of the Cortese-Knox-Hertzberg Act and violated key provisions of the California Environmental Quality Act ("CEQA") and state law.

Among other things, Petitioner pleads the Commission mishandled the essential inquiry for a latent powers proposal, which is whether the District would have sufficient revenue to carry out its proposal; disregarded its own internal policies when it engaged in an unstructured and ill-informed review of potential environmental impacts of the District's proposal; and denied the District a neutral and unbiased hearing. As such, Petitioners requested that the Court issue (a.) a writ of mandate directing Respondent to vacate and set aside its denial of the District's proposal and reconsider that proposal in compliance with all applicable law, and (b.) an injunction directing three of the LAFCO Commissioners to recuse themselves from participation in proceedings related to the District's proposal.

Subsequently, Cal-Am filed a motion for leave to intervene. On August 2, 2022, this Court signed an order permitting Cal-Am to intervene subject to various conditions, including the conditions that Cal-Am would not delay or prolong the proceedings or request an extension of time without first obtaining consent from the parties; would coordinate its briefing with Monterey LAFCO to avoid duplication; would not address whether the Monterey LAFCO Commissioners were biased or failed to exercise their independent judgment as Monterey LAFCO was the proper party to argue this issue; would apply to the Court to obtain a ruling on whether it could object to any settlement reached between the parties; and would not advance affirmative defenses not advanced by Respondents or otherwise enlarge the issues in this case.[4]

On September 15, 2022, the District filed the First Amended Petition ("FAP") which is the presently operative pleading. Subsequently, Respondents and Cal-Am demurred to and moved to strike the FAP. On December 13, 2022, this Court issued a ruling sustaining without leave to amend the demurrer to the first cause of action for decisionmaker bias and granted in part the motion to strike certain allegations relating to the issue of decisionmaker bias. However, the Court also denied the motion to strike relative to allegations of bias that could inform the analysis of the second cause of action for violations of the Cortese-Knox-Hertzberg Act's

[4] Since 2019, the Court has heard the following matters, among others: a challenge to the construction of a desalination plant in *Marina Coast Water District v. County of Monterey, et al.* (19CV003305); a dispute over various agencies' competing claims to manage groundwater in the Marina area in *City of Marina, et al. v. Nemeth, Karla, et al.* (19CV005270); and Cal-Am's challenge to the EIR prepared for the potential acquisition and operation of the Monterey Water System in *Cal-Am v. Monterey Peninsula Water Management District* (20CV003201).

requirement that LAFCO Commissioners exercise independent judgment on behalf of the public as a whole. Lastly, the Court on that date issued an order to show cause why Cal-Am's complaint in intervention should not be dismissed given the fact Cal-Am's demurrer apparently violated two of the conditions of intervention. On April 28, 2023, the Court discharged the order to show cause and set this matter for a hearing on the petition for writ of mandate.

Currently before the Court is the petition for writ of mandate. Petitioners filed an opening brief which was opposed by LAFCO and responded to by intervenor Cal-Am. Petitioners also submitted requests for judicial notice in support of their opening brief and reply brief, while Cal-Am submitted a request for judicial notice in support of its response to the opening brief.

REQUESTS FOR JUDICIAL NOTICE

The parties' respective requests for judicial notice are GRANTED, and are as follows:

Petitioner requested, in conjunction with its Opening Brief, judicial notice of

a. January 27, 2020 letter from Manatt, Phelps law firm to Petitioner;

b. Monterey LAFCO Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization (adopted February 24, 2020);

c. excerpts from The Commission on Local Governance for the 21st Century Growth Within Bounds: Report of the Commission on Local Governance for the 21st Century (Jan. 2000); and

d. Assembly Floor Analysis (July 23, 2001) of A. B. 948, as amended June 26, 2001 (2001-2002 Reg. Sess.)

Intervenor Cal-Am requests judicial notice of

a. a District Special Board Meeting slide presentation dated April 3, 2023;

b. the District's April 3, 2023 Purchase Offer for Monterey Water System and Transmittal of Appraisal Report in lieu of Summary Statement of Appraisal; and

c. Cal-Am's April 28, 2023 Response to the MPWMD Purchase Offer.

Petitioner also subsequently requested, in support of its Reply Brief, judicial notice of

a. Senate Floor Analysis (June 5, 2008) of A.B. 2484, as amended May 21, 2008 (2007-2008 Reg. Sess.);

b. excerpts from the Legislative History of A. B. 2838 (1999-2000) Reg. Sess.;

c. Supplemental Excerpts from The Commission on Local Governance for the 21st Century, Growth Within Bounds: Report of the Commission on Local Governance for the 21st Century (Jan. 2000).

The parties' respective requests for judicial notice are granted, although the Court notes not all are actually necessary for the Court to reach its decision in this matter.

Threshold Issues

Cal-Am requests the Court rule whether a decision by LAFCO was necessary in the first place for Petitioner MPWMD to activate its latent power to sell water to retail customers.

As noted by Petitioner's Opening Brief at p.11, fn.3, "[w]hether LAFCO approval is necessary for the District to provide retail water service was not at issue before Monterey LAFCO, and is not before the Court in this action." What Cal-Am is requesting the Court to do, therefore, is issue an advisory opinion, which would be inappropriate. Cal-Am's request additionally runs counter to the conditions imposed by the Court in allowing intervention: the Court's August 2, 2022 Order Granting California-American Water Company's Motion For Leave To Intervene specifically states: "Cal-Am may not raise any affirmative defenses that LAFCO does not raise *or otherwise enlarge the issues in this case.*" [Emphasis added].

Accordingly, the Court will not address, and it was in violation of the terms of the Court's order permitting intervention for Cal-Am to request a ruling on, this issue.

Standard of Review

Government Code section 56107(c) provides that "[i]n any action or proceeding to attack, review, set aside, void, or annul a determination by a commission on grounds of noncompliance with this division, any inquiry shall extend only to whether there was fraud or a prejudicial abuse of discretion. Prejudicial abuse of discretion is established if the court finds that the determination or decision is not supported by substantial evidence in light of the whole record."

The appropriate standard of review, by the trial court in an ordinary mandamus proceeding, of LAFCO's action is not confined to whether the agency failed to apply or properly interpret the law, and whether the decision was arbitrary, capricious or failed to follow the procedure required by law or lacks evidentiary support. The court must ensure that an agency has adequately considered all relevant factors, and has demonstrated a rational connection between those factors, the choice made, and the purposes of the enabling statute. (*McBail & Co. v. Solano County Local Agency Formation Comm'n.* (1998) 62 Cal.App.4th 1223, 1227, 1228, citing *California Hotel & Motel Assn. v. Indus. Welfare Com.* (1979) 25 Cal.3d 200, 212.) While "LAFCO decisions do not require formal findings, [they] do require a statement of basis sufficient for judicial review of the decision." (*San Joaquin County Local Agency Formation Commission v. Superior Court* (2008) 162 Cal.App.4th159, 171, fn.4.)

The Petitioner, of course, bears the burden of pleading and proving the facts upon which the claim for relief is based. (*California Pub. Recs. Rsch., Inc. v. City of Alameda* (2019) 37 Cal.App.5th 800, 805.)

The Court proceeds to rule on the Petitioner's substantive challenges as follows:

Argument #1: Did LAFCO Fail To Consider Properly Whether MPWMD Would Have Sufficient Revenue To Expand Its Water Service?

Analysis of this issue starts with the applicable statutory language from the CKH Act.

Government Code section 56824.14(a) states in pertinent part that a LAFCO "…shall not approve a proposal for the establishment of new or different functions or class of services within the jurisdictional boundaries of a special district unless the commission determines that the special district will have sufficient revenues to carry out the proposed new or different functions … ." The section expressly forbids approval of a proposed action unless a LAFCO determines the agency will have sufficient revenue to carry out the proposed function.

Government Code section 56668 lists a variety of factors for consideration in evaluating an application for a change of organization to provide new services. This statute is prefaced with the following language: "Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following: … ." This language tells us two things: first, all of the

factors listed in the section *must* be considered. Second, other factors *can also* be considered – the list is not exhaustive. "The touchstone of statutory interpretation is the probable intent of the Legislature." (*Quarterman v. Kefauver* (1997) 55 Cal.App.4th1366, 1371.) "Because the statutory language is generally the most reliable indicator of legislative intent, we first examine the words themselves, giving them their usual and ordinary meaning and construing them in context. When statutory language is clear and unambiguous, there is no need for construction and courts should not indulge in it." (*Uber Techs. Pricing Cases* (2020) 46 Cal.App.5th 963, 973.)

All parties acknowledge the applicability of and discuss the factor listed in subsection (k) of Government Code section 56668, which lists as a mandatory factor for consideration "[t]he 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 the services following the proposed boundary change."* [Emphasis added.]

But the parties part company on whether LAFCO here properly – or actually - considered that topic. Petitioner District contends that Respondent LAFCO improperly addressed this factor based on the costs of mounting an eminent domain action to *acquire* the Cal-Am system, and particularly on the monetary consequences to Respondent if such an action were *unsuccessful* – without considering the ability of Petitioner to generate sufficient revenue *following* a successful acquisition.

Petitioner District proposed several means by which it could generate revenue following acquisition. Specifically, Petitioners state the District proposed to finance acquisition of Cal-Am's system, a necessary prerequisite to expanding its water service, "primarily [through] water rates and charges," including (1) volumetric rates and meter charges, (2) water supply availability charges, (3) connection and impact fees, (4) capacity and development charges, (5) system capacity charges, (6) fire service rates, (7) drought and surcharge rates, (8) permit fees, and (9) other "water rates, water connection fees, [and] surcharges" as needed (Opening Brief at p. 17, citing AR 03697, 03743-44.) The District indicated these funding mechanisms ensured a "full cost recovery of all operating, capital, and interest costs" for the proposed service. (*Id.* at p. 18, citing AR 03744.) Further, Petitioners state that LAFCO's own Executive Officer extensively

analyzed the District's sources of revenue and recommended approving the District's application, concluding the "District's broad financial powers . . . support a finding that the District will have sufficient revenues to implement the proposed" service expansion. (*Ibid.*, citing AR 01852-53.)

In response, LAFCO contends that it considered the 'financial feasibility' of Petitioner's proposal, and that such was sufficient to meet its statutory obligation to consider factor (k).

The actual reference to factor (k) in LAFCO's Denial Resolution is contained in Section 2 of the Denial Resolution:

The Commission has considered feasibility-related information in the record for this proposal, including the Berkson Associates report dated October 11, 2021. Among other findings generally in agreement with the methodology used in the District's financial feasibility analysis (the Raftelis Report), key findings in the Berkson report[5] also cautioned that:

- "The eminent domain process will resolve many of the uncertainties of the District proposal, however, the outcome may reduce the District proposal's financial feasibility."
- "In the event of District loss, abandonment, or failure to finance and acquire the system, significant additional District costs could be incurred."
- "Public acquisition and ownership of the Cal-Am system will reduce property tax revenue to public agencies."

"In considering factor (k), the Commission determines that the District's proposal and other evidence in the record does not adequately establish that District acquisition and ongoing ownership of the water system would be financially feasible."

(AR 00013.)

> Yes, LAFCO did recite that it was considering factor (k). But there was clearly a misunderstanding in LAFCO's interpretation and application of this statutorily mandated factor. There are two flaws in LAFCO's approach: (1.) The standard which LAFCO

[5] Berkson was a consultant for Respondent LAFCO; Raftelis was an economic consultant for Petitioner District.

> employed was 'financial feasibility' -- not the statutorily prescribed sufficiency-of-revenues standard of Government Code section 56668(k)[6]; and (2.) it was based upon (a.) costs of acquisition via an eminent domain action by MPWMD and the chances of success of such an action without addressing the ability to absorb such costs through revenue following acquisition, as well as upon (b.) the property tax loss potential to other governmental agencies. Neither of these financial aspects bears any rational relationship to the statutory standard of whether the District could through water rates or other charges generate *sufficient revenues to provide the proposed services following* the proposed action. "Mandamus will not lie to control an exercise of discretion, i.e., to compel an official to exercise discretion in a particular manner. Mandamus may issue, however, to compel an official both to exercise his discretion (if he is required by law to do so) and *to exercise it under a proper interpretation of the applicable law*." (*Common Cause v. Board of Supervisors* (1989) 49 Cal.3d 432, 442 [citations omitted; emphasis added].)

Given that the list of factors in Government Code section 56668 is by that section's very terms not exclusive, the Court is not in this ruling stating that LAFCO could not have considered other economic consequences as it did. But those cannot be substituted for the statute's mandate - that sufficiency of revenues following the proposed action be considered.

Similarly, Section 3 of the Denial Resolution, addressing the related requirement of Government Code section 56824.14(a), recited that "the District has failed to demonstrate that it will have sufficient revenue to carry out the proposed new or different functions or class of services, and failed to demonstrate it has the ability to finance an unsuccessful eminent domain action" (AR00015), pointing to "the Commission['s] voiced concerns over the potential costs to the District if it is unsuccessful in an eminent domain action against Cal-Am." (AR00015). LAFCO then stated its reasoning as follows:

> "The Commission considered Berkson Associate's October 11, 2021 memo which, on page 5, detailed the financial consequences to the District if it loses, abandons, or fails to finance and acquire Cal-Am's system. Berkson's memo finds significant District costs could be incurred, specifically as much as $34 million."

[6] The 'feasibility' standard employed by Respondent appears to result from conflation of language from Measure J, Section IV, adding Rule 19.8 to the Petitioner District's Rules and Regulations language which states in part that "[i]t shall be the policy of the District, if and when feasible, to secure and maintain public ownership of all water production, storage and delivery system assets and infrastructure providing services within its territory." (AR 09680-09681.)

Additionally, the Commission considered Cal-Am's October 19, 2021 letter on page 5 and Tab C, which stated, in part:

> "The mere prosecution of the eminent domain lawsuit carries considerable financial risk for MPWMD, and hence to Monterey residents...If MPWMD fails in its eminent domain lawsuit, it will be required to pay all attorneys' fees and costs incurred by Cal-Am, as well as its own – with nothing to show for it...Data from the Claremont and Apple Valley cases suggest that a $25 million to $34 million loss estimate is conservative. There has been no proof that MPWMD could sustain such a financial loss without impairment of operations or assumption of costs new debt."

(AR 00015.)

This determination by LAFCO focused on economic consequences in the event an eminent domain action by District failed – in which event, of course, it would not be "…carry[ing] out the proposed new or different functions or class of services." Again, the language of Government Code section 56668 (k) is specifically directed to determining whether "… the special district will have sufficient revenues to carry out the proposed new or different services. … ." There is no rational connection between the sufficiency of revenues to carry out the proposed service upon successful acquisition of the water service by eminent domain and non-recoupable costs in the event the eminent domain action failed and the District does not proceed to carry out the proposed service.

Since the 'rational connection analysis needs to occur at the inception of the court's analysis', *McBail, supra*, 62 Cal.App.4th at 1230, and the lacking rational connection is a procedural error, the Court need not address whether substantial evidence supported LAFCO's decision.

Argument #2: Was Denial Improperly Based Upon Impacts To Property Tax Revenue?

The Denial Resolution asserted that the District's "proposal's effects on property tax revenues would be detrimental to the finances and operations of local public agencies." (AR00009). LAFCO reasoned that because publicly-owned property is tax-exempt, the District's acquisition of the Monterey System – a necessary step for the District to provide the proposed water service – would remove property from the tax rolls. That would in turn reduce tax

revenues to other agencies, a factor which LAFCO concluded weighed against approving the application. Petitioner's challenge to this is twofold.

A. Petitioner argues that LAFCO lacks the authority to consider tax consequences because the Legislature never authorized LAFCO to approve or disapprove the District's acquisition of private property. Petitioner's contention is that the Legislature *only* gave LAFCO authority in Government Code section 56824.14 to consider the District's ability to provide the new class of services and its impacts on existing providers.

The Court is not persuaded by this argument. Government Code section 56824.14 addresses certain information which *must* be submitted by a special district in its plan for services, and does not, when read in context with the rest of the statutory scheme, appear to limit the factors which LAFCO may evaluate in considering a special district's proposal for a Change of Organization to provide new services. On the other hand, Government Code section 56668 sets forth the factors which LAFCO must consider -- and which necessarily carry with them the authority for LAFCO to do so. Among those are subsection (b) [probable effect of the proposed action on the cost and adequacy of services in the area and adjacent areas] and subsection (c) [the effect of the proposed action on adjacent areas and on mutual social and economic interests, and on the local governmental structure of the county]. LAFCO's consideration of the probable tax revenue consequences upon other governmental service agencies here was properly within the scope of these factors and hence of LAFCO's authority.

B. Petitioner also argues that the administrative record does not support LAFCO's position that the District's proposal will significantly affect the services which other agencies provide.

The Court believes that the evidence from the Monterey Peninsula Unified School District ["MPUSD"] and Monterey County Regional Fire District ["MCRFD"] expressing concern about tax revenue impacts upon their respective operations is alone sufficient, substantial evidence to support LAFCO's conclusions in this regard. Neither Government Code section 56668 subsections (b) nor (c) set any minimum threshold which must be met before a factor can be deemed to weigh against approval of a proposal. MCRFD represented that it would

lose $139,591.60 annually, which equates to the loss of one firefighter position, and stated: "As we have discussed on multiple occasions, staffing our fire engines continues to be a struggle and even the loss of a single firefighter is a critical loss for our District, impacting our mission to provide emergency medical, fire and rescue operations." (AR 00012). As for the MPUSD, it has not been shown – i.e., there is no evidence showing – that 'backfill funding' from the State would be at the same level that MPUSD receives from property tax revenues presently.

Argument #3: Was LAFCO'S Determination That Granting the District's Application Would Impose Undue Hardship on Ratepayers Outside of District's Territory, and Impair Environmental Justice, Incorrect?

There are 5 smaller water systems and 8 wastewater systems outside Petitioner MPWMD's boundaries which Cal-Am also presently operates (referred to as 'satellite' or 'remaining' systems) and would retain to serve in the event its Monterey water system operations are acquired by Petitioner. One community within such a satellite system is Chualar, which has been designated by the State Water Resources Control Board as a 'disadvantaged community,' i.e., one with a median household income less than 80% of the statewide median. (AR00011). LAFCO concluded Petitioner District's acquisition of the Monterey system would (A.) probably result in undue hardship on ratepayers within those satellite systems and (B.) impair environmental justice, in derogation of the factor listed in Government Code section 56668(p).

LAFCO's analysis of this factor was as follows:

The Commission further determines that potential future cost increases to areas served by Cal-Am's remaining "satellite" water systems and wastewater systems would be an undue hardship for residents of these communities. The likely future rate increases have no certainty of being adequately limited or mitigated through the California Public Utilities Commission's rate-setting processes.

The District's proposed activation of latent powers was to provide and maintain potable water production and distribution services for retail customers to implement the District's efforts to implement Measure J, which was approved by District voters in 2018. Pursuant to Measure J, the District seeks to acquire Cal-Am's Monterey Main Water

System, which is almost completely within the District's jurisdictional boundaries. The planned acquisition effort does not include five small "satellite" water systems in the area, but outside of the District's jurisdictional boundaries (Ambler Park, Chualar, Garrapata, Ralph Lane, and Toro). Chualar, one of the satellite-system communities, is designated as a disadvantaged community, i.e. a community with a median household income less than 80% of the statewide median, by the California State Water Resources Control Board.

The District's acquisition would also not include eight small wastewater operations owned by Cal-Am located both within and outside the District's boundaries: the Carmel Valley Ranch, Indian Springs, Las Palmas, Oak Hills, Pasadera, Spreckels, Village Green, and White Oaks systems.

In considering factor (b) and making determinations, the Commission has reviewed – among other evidence - the Executive Officer's December 6 report. The report discussed the possibility of future rate increases in Cal-Am's remaining water and wastewater systems, as well as mechanisms, such as the California Public Utilities Commission rate-setting process, that may help limit future increases.

The Commission has also considered an October 11, 2021 report prepared by LAFCO's independent financial consultant, Berkson Associates, which stated in part:

> • "These smaller operations could experience some reduction in scale efficiencies and resulting impacts on costs depending on the number of additional staff required by these small systems. While these impacts may not directly impact Cal-Am, a portion of increased costs could be added to the rate base of these small operations and thereby increase rates to ratepayers served by those small operations."

A November 22, 2021 supplemental memo by Berkson Associates further stated, in part:

> • "It is correct that excluding a number of small water and sewer systems from MPWMD's acquisition of the Monterey system will reduce current economies of scale and could result in increased costs to serve those systems. The specific

impacts on rates have not been determined; assertions of rates doubling have not been documented and impacts could be mitigated in a number of ways[.]"

• "During the eminent domain trials, Cal-Am may be awarded severance charges for lost value attributable to the remaining systems; the potential magnitude of charges and their rate effects are not known."

The Commission has also considered written comments submitted by Cal-Am and several residents of the remaining Cal-Am water and wastewater systems and described under factor (n), below.

Based on the totality of evidence in the record, the Commission determines that that potential future cost increases to areas served by Cal-Am's remaining "satellite" water systems and wastewater systems would be a probable undue hardship for residents of these communities." (AR 00011-00012.)

Petitioner's Arguments

A. **UNDUE HARDSHIP**

As to the finding of undue hardship on the satellite systems, Petitioner initially argues that the record is barren of substantial evidence to support LAFCO's conclusion that its acquisition of the Monterey system would impose undue hardship on the ratepayers in the satellite systems because

(a.) the Berkson Associates report in the record states that 'impacts on rates have not been determined' (AR05952);

(b.) Respondent LAFCO asserted 'likely future rate increases [in the satellite systems] have no certainty of being adequately limited or mitigated through the California Public Utility Commission's ["CPUC"] rate-setting process' – an incorrect standard; and

(c.) since 2006, CPUC has protected Chualar ratepayers by preventing water rates from rising faster than inflation, and such rates will remain in place unless changed by CPUC order (AR 05703-05704);

(d.) Cal-Am has instituted a number of mechanisms which spread the cost of small water systems across its entire statewide territory, including setting rates on a regional basis and providing discounts to low-income customers (AR 02510-02511, 05397); and

(e.) Respondent LAFCO failed to consult with the CPUC to determine any impact on water rates from Petitioner's proposal.

B**. <u>ENVIRONMENTAL JUSTICE</u>**

Petitioner points out that the CKH Act defines environmental justice as "fair treatment and meaningful involvement of people of all races [etc.] ... such that the effects of pollution are not disproportionately borne by any particular populations." Gov. Code section 56668(p). LAFCO's denial resolution cites this definition but

(1.) does not point to any effects of pollution from proposed acquisition by Petitioner; and

(2.) the EIR prepared in connection with this proposed project demonstrated no significant and unmitigated environmental impacts from Petitioner's acquisition.

<u>Respondent's Arguments</u>

A. **<u>UNDUE HARDSHIP</u>**

LAFCO counters that

(1.) There would be increased cost and hence economic hardship if the remaining systems were run independently of the Monterey area. All of these satellite or remaining systems are operated as part of an integrated system within the Cal-Am Central Division (AR01466), and 95.5% of Cal-Am's Monterey Operations would be taken by Petitioner, along with systems which monitor and control all operations in the Central Division. LAFCO also argues that as a consequence there would be 'near full elimination' of the 95 Cal-Am employees that operate both the main and remaining satellite systems – leaving Cal-Am to operate them as 'stand-alone' systems without the ability for Cal-Am to spread workload and cost throughout its Monterey County customers (AR01470-01476, AR 05716-05718);

(2.) The Raftelis report states that added costs to customers of the remaining satellite systems is difficult to evaluate but acknowledges that 'increased marginal operating costs' would likely be passed on to those customers (AR 04026);

(3.) There is no certainty CPUC would maintain the same rate caps [citing portions of the CPUC tariff and the CPUC's resolution when Cal-Am acquired Chualar and several other of the remaining systems].

(4.) Hence Mr. Linam's[7] conclusion at AR 05718 that Petitioner was 'wrong' in asserting the CPUC will assure rate increases will be limited to inflation in event of a takeover is supported.

B. **ENVIRONMENTAL JUSTICE**

LAFCO has, instead of addressing this issue discretely, asserted that several of the CKH Act factors required consideration of acquisition's financial impact on low-income residents, citing Government Code section 56668(b) [probable effect of proposed action on cost and adequacy of services and controls in the area and adjacent areas], (c) [effect on adjacent areas, on mutual social and economic interests …], and (p) [environmental justice], as well as 56824.12 (a)(3) [a district's 'plan for services' must contain potential fiscal impact to customers of existing providers].

THE COURT'S RULING ON ARGUMENT #3.

Environmental justice. It is clear to the Court that 'environmental justice,' as that phrase is defined in Government Code section 56668(p), is not implicated in Petitioner District's proposal here. That subsection mandates that LAFCO consider "[t]he extent to which the proposal will promote environmental justice. As used in this subdivision, *'environmental justice' means* the fair treatment and meaningful involvement of people of all races, cultures, incomes and national origin with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such *that the effects of pollution* are not disproportionately borne by any particular populations or communities." [Emphasis added.]

[7] This person is not identified by LAFCO in its opposition, but the administrative record citation indicates he is the Senior Director of Rates for Cal-Am.

The subsection plainly deals with pollution and no party has seriously contended pollution is a factor present or actually considered by LAFCO, notwithstanding LAFCO's recitation of 'environmental justice.' There is no support in the record for a finding that the proposal in question would have any impact whatsoever on pollution. Moreover, LAFCO's finding is not rationally related to the standard it recited it was evaluating: the resolution makes no reference to pollution and only makes reference to possible future rate impacts as 'represent[ing] an environmental justice concern.'

Hence, Government Code section 56668(p) cannot provide a basis for LAFCO's denial. In its briefing and oral argument, LAFCO has not demonstrated anything contrary. There is no rational relationship between the purpose of the statute's subsection and LAFCO's decision, nor any substantial evidence to support the decision that the subsection weighed against approval of the proposed action of Petitioner. Petitioner is correct that this standard was incorrectly applied by LAFCO.

Undue financial hardship. The remaining portion of Petitioner's challenge in this section of its argument is LAFCO's finding of probable undue financial hardship in its consideration of Government Code section 56668, subdivision (b)(1). "Substantial evidence … must be of ponderable legal significance, which is reasonable in nature, credible and of solid value." *JKH Enterprises, Inc. v. Dep't. of Indus. Rels.* (2006) 142 Cal.App.4th 1046, 1057.

Government Code section 56668(b)(1) lists as a statutorily mandated factor for LAFCO's consideration "[t]he need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; *and 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." [Emphasis added.]

LAFCO has shown that there is substantial evidence in the record that the economies of scale would be adversely impacted by the removal of the Monterey water system from Cal-Am's operations – i.e., that it will be more costly to operate the satellite systems. But whether LAFCO's finding that any such potential future cost increases to Cal-Am would (a.) be passed

on to the satellite system customers and (b.) result in "an undue hardship for the residents of these communities," is supported by substantial evidence is another matter. Likewise, whether the finding that "likely future rate increases have no *certainty* of being adequately limited or mitigated through the [CPUC] rate-setting process" (emphasis added), AR 00011, is sufficient to address the statutory 'probable effect' standard presents a further issue.

There appears to be no serious dispute that any rate change would have to be approved by the CPUC, and that there is presently a set tariff applicable to Chualar which 'caps' any rate increases to the rate of inflation and which remains the same unless changed by the CPUC. The Court has not been directed to any evidence, not even an estimate, as to the amount of any potential rate increase. Cal-Am has not provided any evidence of the number of its customers among whom any increased costs of operation would be distributed, assuming the CPUC approved a rate increase. Nor has anyone pointed to any evidence of what the CPUC has done historically with requests for rate changes following a change in composition of a water system. While Respondent found there is no 'certainty' of future rate increases being 'adequately limited or mitigated,' that is not the correct standard, as Petitioner points out. The lack of certainty that present rates will remain capped is not the evidentiary equivalent of a probability that they won't be. The express language of the subsection (b) of Government Code section 56668 mandates consideration of the 'probable' effects of a proposed action – not merely possible ones. LAFCO has cited an extended string of citations to a series of letters, reports and emails without any explanation or argument as to how those citations support its determination. As Petitioner correctly points out, points that are not supported by adequate factual or legal analyses are deemed waived. *Singh v. Lipworth* (2014) 227 Cal.App.4th 813, 817 [considering arguments forfeited when unsupported by "adequate factual or legal analysis"].

Based on the record here, it cannot be said that there is substantial evidence to support LAFCO's decision that any increase in rates from decreased economies of scale is (a.) probable, and that if it did occur, that it would cause (b.) financial hardship on other ratepayers which (c.) is undue.

ARGUMENT #4. Did Respondent Incorrectly Consider Impacts to Water Supply?

Petitioner contends that LAFCO incorrectly concluded that public ownership of Cal-Am's system would 'potentially harm the Salinas Valley groundwater basin' [citing AR 00013]. Section 2 of the Denial Resolution states

"Government Code section 56668(l):

l) Timely availability of water supplies adequate for projected needs as specified in Government Code section 65352.5

The District develops and maintains 20-year water supply projections. Among other approved and proposed projects, the District, Monterey One Water, and Cal-Am are working to develop a replacement water supply known as the Pure Water Monterey Expansion project, which would include several water sources from the Salinas Valley. The project's goal is to meet the 2009 State Water Resources Control Board's cease and desist order, as extended in 2016, to terminate unauthorized diversions from the Carmel River.

In considering factor (l), the Commission finds that the District's proposal, as well as the evidence in the record, does not adequately establish that the District's current efforts to expand the Peninsula area's water supply will be sufficient to meet current and future needs, especially in times of drought, and to do so without utilizing water from the Salinas Valley and potentially harming the Salinas Valley groundwater basin." (AR 00013)

LAFCO did not cite any evidentiary support for its conclusion in this portion of its determination, but later in the resolution (where LAFCO addressed factor (n), comments from landowners and residents of the affected community), it mentioned the Salinas Valley Water Alliance's October 22, 2021 letter, Monterey Peninsula Chamber of Commerce's October 25 and December 3, 2021 letters, Monterey County Farm Bureau's November 22, 2021 letter, and Sustainable Agriculture and Energy's ("SAGE") December 6, 2021 letter, which each raised concerns regarding water supplies. (*Ibid.*) LAFCO then goes on to quote this portion of the Monterey County Farm Bureau's letter: "While Monterey County Farm Bureau has no position on the public ownership of the water supply system of the Monterey Peninsula, it makes little to

no sense to grant additional authority to an agency that will ultimately rely on a single facility resource[8] for the water it supplies to its customers, especially if that source water supply is interruptible and not drought-proof." (*Ibid.*)

Petitioner's arguments are as follows:

A. Government Code section 56668(l) is inapplicable. Government Code section 56668(l) requires for a Change of Organization that LAFCO consider 'timely availability of water supplies adequate for project needs as specified in [Gov C] section 65352.5. The latter section only applies where an agency with land use authority proposes to adopt or amend a general plan. Here, Petitioner District did not propose to do either. LAFCO's finding of potential harm to SVGB is not rationally related to the standard set forth in the specific language of Government Code section 56668(l) ["… as specified in (Gov. Code) section 65352.5"].

B. Lack of substantial evidence and irreconcilably inconsistent findings. Even if Government Code section 56668(l) applied here, (i.) there is no substantial evidence in the record to support LAFCO's conclusion, nor reasoning to support the conclusion, that the District's application, which is simply for a change in ownership, may harm groundwater in the Salinas Valley. No change in operation or in exercise of ownership rights is involved; and (ii.) LAFCO findings are inconsistent with its findings made the same day, that "District's analysis shows that … [either of the two supply projects] will be more than sufficient to meet anticipated water demand." Citing AR 01810.

C. Failure of LAFCO to follow its own local written policies and procedures. The CKH Act requires LAFCO to follow its own local policies, and here it did not because (i) those require LAFCO to consider analysis of the Lead Agency – here, Petitioner District – and LAFCO's review is triggered only when the Lead Agency determines under CEQA that the project will lead to potentially significant groundwater impacts. Here, District determined it would not lead to potentially significant impacts; (ii) LAFCO is required to treat a Lead Agency's EIR as adequate unless it follows statutory procedures to supplement the EIR or challenge it in court –

[8] This is a reference to the Pure Water Monterey Expansion project.

neither of which occurred here; and (iii.) "LAFCO's own procedures required it to consult with water resource agencies and incorporate their recommendations as appropriate into its decision for any proposal that "may significantly impact the groundwater basin, as documented by the Lead Agency pursuant to CEQA," and LAFCO didn't here: Petitioner contends there is no evidence of any consideration or incorporation of comments of any "expert water agency," including Monterey County Water Resources Agency, Seaside Water Master, or Monterey Conservation District – all of which reviewed Petitioner's application.

Regarding the applicability of Government Code section 56669(l), Respondent argues in opposition that Government Code section 56021, which defines Changes of Organization, does not include adoption or amendment of general plans, and therefore LAFCO's inquiry into water is not limited to general plan adoption or amendment. Respondent contends that the language of section 56668(l) referencing Government Code section 65352.5 is only providing a guideline for LAFCO, not defining an exclusive area of LAFCO inquiry. Government Code section 56668(l) does otherwise and without limitation allows LAFCO to consider water supply and management as a factor when evaluating a Change of Organization.

In reply to this argument, Petitioner points out that some Changes of Organization do include general plan adoptions or amendments, but only in cases where adoption or amendment of a general plan is sought would Government Code section 56668(l) apply.

In response to Petitioner's lack of substantial evidence and inconsistent findings contentions, LAFCO asserts that it properly relied on comments from the Salinas Basin Water Alliance and Salinas Valley Farm Bureau which expressed concerns regarding overreliance on source water for the Pure Water Monterey Project (which is part of the joint effort by Petitioner District, Cal-Am and Monterey One Water to develop a replacement water supply which would include several water sources from the Salinas Valley) to find that the proposal and evidence in the record does not adequately establish Petitioner's current efforts to expand Peninsula's water supply will be sufficient to meet current and future needs without utilizing water from Salinas Valley and potentially harming the SVGB; and Petitioner presented no evidence to address these concerns.

Petitioner points out in its Reply that Respondent does not address the issue of inconsistent findings.

In opposition to Petitioner's argument that LAFCO failed to follow its own written procedures and policies, LAFCO counters that its own procedures cannot override the authority given in Government Code section 56668(l) and (n) [consider comments from landowners, voters or residents – which would presumably mean such comments relevant to the factors set forth in the list of factors in Government Code section 56668].

In replying to this issue, Petitioner points out that all LAFCO decisions must be consistent with LAFCO's written policies and procedures, citing Government Code 56735(a)(1); *McBail,* 62 Cal.App.4th at 1228-1230.

RULING ON ARGUMENT #4.

A. Does Government Code section 56668(l) apply here? LAFCO'S reference to subsection(l) in its Resolution of Denial incorrectly applied that subsection as a factor for the proposal here. By its very terms, that subsection applies to "[t]imely availability of water supplies adequate for projected needs as specified in Section 65352.5." The latter section only applies where an agency with land use authority proposes to adopt or amend a general plan. No general plan adoption or amendment was involved with Petitioner District's proposal, and hence the cited standard was not mandated for consideration by Government Code section 56668(l).

However, that does not mean that Respondent LAFCO could not consider availability of water supply and effects, if any, on the adjacent Salinas Valley water supply. Government Code section 56668 starts with the following language: "Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following: … ." Here, LAFCO has considered a factor which is not necessarily removed from its consideration, but its determination misapplied the SVGB concern as the factor in subsection (l) – to which it bears no rational relationship, as that factor does not even apply to the proposed action here. This alone is probably not a significant or prejudicial error, since LAFCO was not required to consider the factor in subsection (l) at all.

Nonetheless, once it elected in its discretion to consider the sufficiency of water supply, LAFCO's determination on that issue must still have been rationally based on substantial evidence and not have been arbitrary or capricious. In that regard, it is not possible to reconcile LAFCO's Denial Resolution under challenge here with its findings – on the very same day – in its adoption of the 2021 Municipal Service Review and Sphere of Influence for the District, which concluded that "completion of either Cal-Am's MPWSP desalination plant or M1W/MPWMD's Pure Water Monterey Expansion Project will be more than sufficient to meet anticipated water demand for at least the next 20 years." (AR 01810). The diametrically opposed findings are arbitrary and accordingly cannot be upheld.

B. (1.) Is there substantial evidence to support LAFCO's determination regarding impact to the Salinas Valley groundwater basin if Petitioner's proposal goes forward?

As noted above and below, the irreconcilable, contrary findings of LAFCO regarding sufficiency of water supply are arbitrary and alone require a writ issue directing the LAFCO decision to be set aside.

As for Petitioner's additional contention that there is no substantial evidence to support LAFCO's determination that Petitioner did not adequately establish that its current efforts to expand the Peninsula area's water supply will be sufficient to meet current and future needs without potentially harming the Salinas Valley groundwater basin, it is important to note at the outset that, as Cal-Am pointed out, LAFCO did not make a finding of harm to the SVGB in the event that the proposed acquisition goes forward. It found that Petitioner did not adequately establish that its current efforts to expand the Peninsula's water supply would be sufficient and could be accomplished in a way that did not utilize water from the Salinas Valley or potentially harm the basin.

LAFCO relies upon, among other items in the record, a November 22, 2021 letter from the Director of the Monterey County Farm Bureau suggesting that Petitioner's opposition to Cal-Am's proposed desalination plant means that Petitioner District "will ultimately rely on a single facility resource for the water it supplies to its customers." (AR 22485-22486). LAFCO cites AR 22485-22486 in support of the proposition the Salinas Basin Water Alliance's statements were

supported by the Monterey County Farm Bureau's comments to LAFCO, which outlined the Bureau's concerns of granting additional authority to the District that will ultimately rely on a single facility resource which has a finite supply of water. AR 22485-22486 appears to be the letter LAFCO quoted in its denial resolution (AR 00014). In it, the Executive Director of the Monterey County Farm Bureau suggests that the District's opposition to the desalination plant proposed by Cal-Am means the District "will ultimately rely on a single facility resource for the water it supplies to its customers[,]" (AR 22486), referring to an earlier statement in the same letter, implying that Petitioner relies on the Pure Water Monterey Expansion project "… as a single resource for the water supply of the Monterey Peninsula." The Bureau letter goes on to say that this is "unwise and unjustified, placing the entire community at risk" because the "source water supply is interruptible and not drought-proof." (*Ibid.*) The letter also quotes the letter from the Salinas Basin Water Alliance (found at AR 05628-05629) which states: "Salinas Valley does not have surplus water and should not be considered a reliable source for the Peninsula's needs." (*Ibid.*)

The October 22, 2021 letter from the Salinas Basin Water Alliance (AR 05628-05629) states "… the Pure Water Monterey project is a vital component of MPWMD's plans as they turn their back on desalination. However, Pure Water Monterey is heavily dependent on source water from the Salinas Valley (even more so if they are required to increase output to meet the peninsula's demands. Salinas Valley does not have surplus water and should not be considered a reliable source for the peninsula's needs."

The foregoing letters depend largely for support on a presumption that the Petitioner District relies solely upon Pure Water Monterey as its water supply source if the proposed acquisition were to succeed. The only basis brought to the Court's attention in the record for such a claim is the suggestion in Monterey County Farm Bureau's letter that because the District opposes desalination, it would end up relying on Pure Water Monterey as the "single source for the water supply of the Monterey Peninsula." (AR 22486.) Petitioners point out in their papers there is evidence there are multiple sources of water supply beyond the desalination plant or the Pure Water Monterey project, including 3,376 acre-feet per year ("afy") from the Carmel River,

774 afy from the Seaside Basin, 1,300 afy from the Aquifer Storage & Recovery Project, and 94 afy from the Sand City Desalination Plant. (AR 03690.)

When asked at oral argument whether this assertion that the District would be relying upon a single water source for its proposal in light of the evidence that there are multiple sources of water supply beyond the Cal-Am desalination plant or Pure Water Monterey project – such as 3,376 afy from the Carmel River, 774 afy from the Seaside Basin, 1,300 afy from the Aquifer Storage & Recovery Project and 94 afy from the Sand City desalination plant, LAFCO counsel indicated he was unable to answer that question.

Ultimately, however, the Court believes that whether or not Pure Water Monterey ("PWM") was the sole source, or simply a source, of water supply proposed for Petitioner, there was sufficient evidence from which LAFCO could conclude that Petitioner had not shown its use of PWM water diverted from Salinas Valley wastewater, intended for use in the Salinas Valley, would not utilize Salinas Valley water supply.

In the Court's estimation, characterizing the proposed acquisition as a mere change in ownership is an oversimplification and does not resolve the substantial evidence question. There was evidence before LAFCO that Petitioner opposes the Cal-Am desalination plant and, Respondent argues, also evidence that without the desalination plant the source of water supply available to Petitioner District would be greatly limited.

(2.) Whether or not there is substantial evidence which would support LAFCO's determination in the Denial Resolution regarding water supply, is the determination nonetheless irreconcilable with LAFCO's opposite findings the same day – and hence arbitrary and capricious? As noted above, LAFCO's conclusions relative to adequacy of water supply mentioned in the context of Government Code section 56668(l) are irreconcilable with LAFCO's nearly concurrent adoption of the 2021 Municipal Service Review and Sphere of Influence for the District (AR01810), which concluded that "completion of either Cal-Am's MPWSP desalination plant or M1W/MPWMD's Pure Water Monterey Expansion Project will be more than sufficient to meet anticipated water demand for at least the next 20 years." Accordingly, a writ of mandate should issue on this basis alone.

C. Did LAFCO fail to follow its own procedures, in contravention of Government Code section 56375?

Government Code section 56375 and its subsection (a)(1) direct that once a LAFCO adopts written procedures and policies it must review proposals in a manner consistent with those policies:

"The commission shall have all of the following powers and duties, subject to any limitations upon its jurisdiction set forth in this part: (a)(1) To review and approve … or disapprove proposals for changes of organization or reorganization, consistent with written policies, procedures and guidelines adopted by the commission." Government Code section 56375(a)(1).

(1.) Petitioner asserts that the Respondent failed to follow pages 32-34 of its own written procedure, which requires that "[i]n considering a proposal which may significantly impact the groundwater basin, as documented by the Lead Agency pursuant to the California Environmental Quality Act (CEQA), LAFCO shall review the following information … ." (Petitioner's Request For Judicial Notice, Ex B, p.32). However, it appears undisputed that Petitioner was the CEQA Lead Agency and did *not* document that its proposal may significantly impact the groundwater basin. The triggering language thus was not operative nor does the cited language purport to limit LAFCO's consideration of groundwater impacts only in circumstances where a CEQA Lead Agency determines there might be such impacts. Consequently, there does not appear to be any basis for the argument that LAFCO failed to follow its own procedures.

(2.) Petitioner also maintains that LAFCO failed to follow its own procedural rules when it failed to treat the District's EIR for the proposed acquisition as adequate, pursuant to Section VII 1 of LAFCO's Local Rules, which states "All environmental factors introduced by the proposal shall be considered as outlined in [CEQA] and the State Guidelines [under CEQA]." Petitioner argues that CEQA, specifically Public Resources Code section 21167.2[9] requires that

[9] Public Resources Code section 21167.2 states: "If no action or proceeding alleging that an environmental impact report does not comply with the provisions of this division during the period prescribed in subdivision (c) of section 21167, the environmental impact report shall be conclusively presumed to comply with the provisions of this division for purposes of its use by responsible agencies, unless the provisions of Section 21166 are applicable."

LAFCO treat Petitioner's Lead Agency EIR as adequate unless LAFCO followed the statutory procedures to supplement the EIR or challenge it in court – neither of which was done here.[10] The contention of Petitioner, which is not further elaborated, is that LAFCO is thus precluded from making a determination – i.e., that there might be a significant impact on the Salinas Valley groundwater basin or supply – because the EIR stands and is conclusive on the topic.

The Court does not believe, based upon the arguments presented, that this Local Rule binds LAFCO to an EIR's determination outside the context of a direct CEQA challenge. Neither the language of Public Resources Code section 21167.2 [… the environmental impact report shall be conclusively presumed to comply with the provisions *of this division* … ."; emphasis added] nor the corresponding CEQA Guideline 15231 [" … shall be conclusively presumed to comply with CEQA … ."] contains language which indicates an EIR has preclusive effect for all purposes.

(3.) Finally, Petitioner argues that LAFCO failed to follow its own Local Rule X, GROUNDWATER STANDARDS, Information Requirements, section 3, which provides: "Any proposal considered by LAFCO that uses water will be referred to the Monterey County Water Resources Agency, the Pajaro Valley Water Management Agency, the Monterey Peninsula Water Management District [i.e., Petitioner here], or any other affected water agency. Recommendations of the agencies will be considered by LAFCO and, where appropriate, should be incorporated into the project design prior to approval of the boundary change proposal." This language of this particular provision does not require a CEQA Lead Agency finding in order to become operative. Petitioner's argument is that there is "no evidence that LAFCO considered or incorporated the comments of any expert water agency." Monterey County Water Resources Agency, one of the agencies specifically listed in the Local Rule, as well as Seaside Water Master, and Monterey County Resource Conservation District all reviewed the District's application and did not identify any potential impacts to groundwater, AR 12323, 00399, 11956.

Section 21166 provides for certain circumstances in which a supplemental environmental impact report may be required.

[10] Intervenor unsuccessfully challenged the EIR in Monterey County Superior Court case of *California-American Water Co. v. Monterey Peninsula Water Management District* (20CV003201); Respondent did not participate in that challenge or otherwise the challenge the EIR.

LAFCO also rejected the groundwater analysis and recommendations of Petitioner, which is also one of the specifically listed agencies in the Local LAFCO Rule.

LAFCO does not address these arguments, other than to argue that "LAFCO's policies concerning CEQA compliance do not override the statutory authority stated in Section 56668(l) or (n) [[mandatory consideration of information or comments from the landowner, or landowners, voters, or residents of the affected territory].

The language of the Local Rule does not lead to the conclusion Petitioner urges, i.e., that the Rule was violated. First, the language of the rule regarding referral to agencies is in the disjunctive and does not by its terms require referral to all agencies. Secondly, LAFCO did receive the recommendation of Petitioner, one of the named agencies. And LAFCO did consider it, but ultimately elected not to incorporate it. The Local Rule provides that a recommendation is to be considered and, where appropriate" to be incorporated. LAFCO's action clearly leads to the conclusion it did not deem it appropriate to incorporate Petitioner's recommendation. It has not been shown that it abused its discretion in doing so.

Argument #5: Was There A Violation of Statutory Duty, By One Of The Three Commissioners Challenged, To Exercise Independent Judgment On Behalf Of The Public As A Whole?

Government Code section 56331.4 states that "[w]hile serving on the commission, all commission members shall exercise their independent judgment on behalf of the interests of residents, property owners, and the public as a whole . … Any member appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority. Three commissioners in this matter made statements on the record as follows: (1.) Chair Lopez stated he was "the guy who represents Chualar" and was uncomfortable moving forward because he "still ha[d] questions about the impact to [his] community, specifically, the community of Chualar" and was unwilling to support the application until Chualar "ha[d] its interest taken care of." (AR 03178-79); (2.) Commissioner Poitras identified himself as representing the Monterey County Regional Fire District and emphasized his concerns that several special districts have the potential to lose a great deal of

money if Petitioner's application were approved; and (3.) Commissioner Leffel stated she, "like Commissioner Poitras, represent[s] the special districts on this Commission. And … you are going to save so much money on this district. But, meanwhile, all the other districts give it up to save that money."

Petitioner's Arguments:

A. Standing. Although there is a provision in Government Code section 56331.4 stating that there is no private right of action created by section 56331.4, this is to prevent actions seeking to hold Commissioners personally liable and does not preclude an action in ordinary mandamus. *California Hospital Association v. Maxwell-Jolly* (2010) 188 Cal.App.4th 559, 568-569 [Even without a private right of action under the Medicaid Act, an interested party can still "enforce the act by means of a writ of mandate under Code of Civil Procedure 1085"]; legislative history to Government Code section 56331.4.

B. Three Commissioners did not exercise independent judgment representing the public as a whole.

RULING ON ARGUMENT #5.

On the issue of standing, the Court believes that Government Code section 56331.4 does not eradicate any standing Petitioner would have had but for that section. The starting point of analysis is the statutory language. *Uber Techs. Pricing Cases, supra*. The language of the section states "*This section* does not … *create* a private right of action in any person." [Emphasis added.] It does not suggest that it is intended to abrogate the previously existing right to maintain an action for mandamus regarding (1.) the performance of an act which the law specifically enjoin, as a duty resulting from office, CCP 1085(a) and (2.) a beneficially interested party, with no plain, speedy or adequate remedy at all. CCP 1086. *California Hospital Association, supra*, 188 Cal.App.4th at 568-569.

The Court is satisfied that both requirements are met here. The right of action to compel the enforcement of a duty of office existed independently of Government Code section 56331.4.

On the substantive merits of the challenge, the Court notes at the outset that the issue is not one of 'bias' in its commonly used context of a consciously exercised prejudice for or against a certain group, interest or person in an unfair way. One might exercise independent judgment in the mistaken belief that one is required to vote according to the desires of the authority which appointed her or him as its representative, however, and that is the issue presented by Petitioner here. Although "[m]andamus will not lie to control the exercise of discretion, i.e., to compel the exercise of discretion in a particular manner [, it] may issue to compel an official both to exercise his discretion (if he is required by law to do so) and to exercise it under a proper interpretation of the applicable law." *Common Cause v. Board of Supervisors* (1989) 49 Cal.3d 432, 442.

There is a distinction, which the Court believes Government Code section 56331.4 expresses, between bringing the viewpoints and experience of a particular appointing authority to the table for discussion, on one hand, and voting or taking other action in a manner which serves only the appointing authority's interest rather than the interests of the public as a whole, on the other. The statutory scheme of the CKH Act – which requires the appointment of persons by County and City governmental entities and by Special Districts (in addition to a member of the public appointed by the other commission members), Government Code section 56325, but requires that "all commission members shall exercise their independent judgment on behalf of the interests of residents, property owners, and the public as a whole," Government Code section 56331.4, draws the distinction. To this extent, LAFCO's argument here that section 56331.4 does not preclude a commissioner from *considering* the interests of his or her appointing authority is sound, as is LAFCO's acknowledgment that " 'solely' taking into account the interest of one's district" would be inappropriate. But the apparent intention of this section goes further: if the language of section 56331.4 is to be given effect, it would be equally improper to take action based on the interests of anything less than the public as a whole -- viz., the *entire public's* interests.

A LAFCO commissioner thus has a fine line to walk: she or he may be a representative of the appointing authority, and can present and consider that authority's interests, but cannot take action based on anything less than the interests of the public as a whole.

It is Petitioner's burden in a mandamus proceeding to show violation of a public duty**.** *California Pub**.** Rsch., Inc. supra*. Here, the burden has not been met as to Commissioner/Supervisor Lopez. His statements do not show that he was considering the interests of less than those of the public as a whole. His statements expressed concerns about unanswered questions affecting various segments of the public community – not simply those of Chualar, and his statements expressing that he considered Chualar's interests does not compel an inference that he based his vote solely on Chualar's interests as its representative. Commissioner Leffel's statements do not demonstrate that she did, either. Her statement that "I do not believe that, in good faith, I can take from one part of my community just to make another part of the community happy" actually indicates an unwillingness to take action based on the interests of less than the public as a whole.

With respect to Commissioner Poitras, the Court does not believe it has been shown that he failed to exercise independent on behalf of the public as a whole. The focus of Petitioner's challenge is upon statements Commissioner Poitras made at the December 6, 2021 hearing; he made no statement at the January 5, 2022 hearing other than to cast his vote in support of the resolution. At the December 6, 2021 hearing it is true that he said he represented several special districts and that several of them have the potential to lose money as a result of the proposed action. However, he also went on to state "… we can't afford to lose a frontline firefighter as a result of this." (AR 03181, lines 8-9). The loss of a public safety officer position – a firefighter – seems to this Court to be a concern for the public welfare as a whole. Accordingly, the Court finds Petitioner has not shown Commissioner Poitras failed to exercise independent judgment on behalf of the public as a whole.

The Court does not believe the accusations of bias made by members of the public are of probative value on the issue of whether a commissioner failed to exercise independent judgment on behalf of the public as a whole. The only evidence of value on this issue is the content of the commissioner's respective statements.

Conclusion:

In summary, the Court orders that a writ of mandate shall issue on the grounds that (1.) Respondent LAFCO failed properly to consider whether Petitioner will have sufficient revenue to carry out the proposed new or different services following the proposed change, pursuant to Government Code section 56668 (k); (2.) LAFCO improperly applied the 'Environmental Justice' factor of Government Code section 56668(p), since there is no evidence in the record of any pollution; (3.) there is no substantial evidence to support its finding that the proposed action would pose an undue economic hardship on other County residents in satellite water systems; and (4.) LAFCO's findings regarding the sufficiency of water supply for the proposed action here are inconsistent and irreconcilable with its findings the same day in its adoption of the 2021 Municipal Service Review and Sphere of Influence for the District, which concluded that 'completion of either Cal-Am's MPWSP desalination plant or M1W/MPWMD's Pure Water Monterey Expansion Project will be more than sufficient to meet anticipated water demand for at least the next 20 years."

Petitioner is to prepare and submit a proposed Writ of Mandate consistent with this ruling.

This Statement of Intended Decision shall serve as the Statement of Decision, subject to any objections of the parties.

Dated: October 25, 2023

Thomas W. Wills
Judge of the Superior Court

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CERTIFICATE OF MAILING
(Code of Civil Procedure Section 1013a)

I do hereby certify that I am employed in the County of Monterey. I am over the age of eighteen years and not a party to the within stated cause. I placed true and correct copies of the **Statement of Intended Decision** for collection and mailing this date following our ordinary business practices. I am readily familiar with the Court's practices for collection and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Services in Monterey, California, in a sealed envelope with postage fully prepaid. The names and addresses of each person to whom notice was mailed is as follows:

Edward Terry Schexnayder
396 Hayes Street
San Francisco, CA 94102

Scott William Ditfurth
2001 N. Main Street, Ste 390
Walnut Creek, CA 94596

George Michael Soneff
2049 Century Park East, Suite 1700
Los Angeles, CA 90067

Richard Tait Egger
2855 E Guasti Road, Suite 400
Ontario, CA 91761

Dated: **10/25/2023**

Clerk of the Court,

By: P. Conder
P Conder, Deputy Clerk

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AGENDA REPORT
Consent | Information

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Priscilla Mumpower, Assistant Executive Officer
Erica Sellen, Commission Clerk

SUBJECT: **Report on Recent Committee Meeting | Cities Advisory Committee's September 18, 2025 Meeting**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report on the most recent meeting of its Cities Advisory Committee held on September 18th. The report is in the form of draft minutes and is being presented for information only consistent with an earlier request by Commissioner MacKenzie.

BACKGROUND

Cities Advisory Committee

The Cities Advisory Committee was restored in 2018 after becoming dormant in the 1990s. It presently serves in an ad-hoc capacity, advising the Commission with specific focus on developing and implementing LAFCO's adopted work plan. All 18 cities in San Diego County are represented on the Committee by their city manager or designee with moderator duties assigned to the Executive Officer. The Committee currently meets biannually, typically in September and March.

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann, Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

DISCUSSION

San Diego LAFCO will receive a report on the most recent Committee meeting held September 18th at the County Administration Center and live-streamed. The report is provided in the form of attached draft minutes and responds to Commissioner MacKenzie's recent request for the Commission to receive timely updates on deliberations of its two advisory committees — Special Districts and Cities. The Commission received an update on the Special Districts Committee meeting held July 18th at its August 4th meeting.

ANALYSIS

None.

RECOMMENDATION

This item is presented to San Diego LAFCO for information only.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda as part of the consent calendar. A successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachments:

1) CAC Roster
2) DRAFT: CAC Meeting Minutes – September 18, 2025

LAFCO
CITIES ADVISORY COMMITTEE

The Cities Advisory Committee serves in an ad-hoc capacity and advises San Diego LAFCO on germane items of interest as requested by the LAFCO Chair or Executive Officer. All 18 cities in San Diego County are represented on the Committee by the city manager or their designee and have one vote.



Paz Gomez
Deputy City Manager
City of Carlsbad



Tiffany Allen
Asst. City Manager
City of Chula Vista



Tina Friend
City Manager
City of Coronado



Ashley Jones
City Manager
City of Del Mar



Vince DiMaggio
Asst. City Manager
City of El Cajon



Jennifer Campbell
City Manager
City of Encinitas



Sean McGlynn
City Manager
City of Escondido



Tyler Foltz
City Manager
City of Imperial Beach



Lynette Santos
Community
Development Director
City of La Mesa



Lydia Romero
City Manager
City of Lemon Grove



Martin Reeder
Asst. Community
Development Director
City of National City



Jonathan Borrego
City Manager
City of Oceanside



Chris Hazeltine
City Manager
City of Poway



Dion Akers
Office of the Mayor
Regional Government
Affairs Manager
City of San Diego



Michelle Bender
City Manager
City of San Marcos



Wendy Kaserman
City Manager
City of Santee



Alyssa Muto
City Manager
City of Solana Beach



John Conley
City Manager
City of Vista

For more information visit:

https://www.sdlafco.org/about/advisory-committees/cities-advisory-committee

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SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION
AD HOC CITIES ADVISORY COMMITTEE SPECIAL MEETING

SEPTEMBER 18, 2025

San Diego County Administration Center
1600 Pacific Highway, Room 302
San Diego, California 92101

1. 10:00 A.M. – CALL TO ORDER

Executive Officer Keene Simonds called the meeting to order at 10:14 a.m.

Item 1a
ROLL CALL

Committee Secretary Erica Sellen performed the roll call with the following attendance recorded. Nine cities were represented.

Regular Members Present:

Chula Vista | Tiffany Allen
Encinitas | Jennifer Campbell
Imperial Beach | Tyler Foltz
La Mesa | Lynnette Santos
Lemon Grove | Lydia Romero
Solana Beach | Alyssa Muto
Vista | John Conley

Alternate Members Present:

Del Mar | Clem Brown
Santee | Gary Halbert

Regular Members Absent:

Carlsbad | Paz Gomez
Coronado | Tina Friend
Del Mar | Ashley Jones
El Cajon | Vince DiMaggio
Escondido | Sean McGlynn
National City | Martin Reeder
Oceanside | Jonathan Borrego
Poway | Chris Hazeltine
San Diego | Dion Akers
San Marcos | Michelle Bender
Santee | Marlene Best

The following members of San Diego LAFCO staff were present at roll call: Executive Officer Keene Simonds; Assistant Executive Officer Priscilla Mumpower; Local Government Analyst II Michaela Peters; Local Government Analyst I Meghan Traynor; Communications Associate Aiden Velasquez; and Commission Clerk Erica Sellen serving as Committee Secretary. LAFCO Consultants Pat Bouteller, Bill Fulton, Mike Stein and Adam Wilson were also present at the meeting.

Item 1b
PLEDGE OF ALLEGIANCE

John Conley, Vista, led the Pledge of Allegiance.

2. AGENDA REVIEW

Executive Officer Keene Simonds outlined the meeting agenda and stated Agenda Item No. 3 will be moved to after the Business Items.

3. COMMITTEE MEMBER REPORTS (moved to after Business Calendar)

Comments were received from the following members:

- Lydia Romero, Lemon Grove
- Alyssa Muto, Solana Beach
- Gary Halbert, Santee
- Tyler Foltz, Imperial Beach
- Jennifer Campbell, Encinitas
- Tiffany Allen, Chula Vista
- Clem Brown, Del Mar

4. CONSENT ITEMS

a) Approval of Meeting Minutes for December 19, 2024 (action)
The Committee considered draft summary minutes prepared for the last meeting held on December 14, 2024. Recommendation to approve.

b) Progress Report on 2025-2026 Workplan (information)
The Committee received an update on the adopted workplan and activities related to the 30 special projects set for 2025-2026. Information only.

c) Proposed Update to the Study Schedule
The Committee received an update on the Commission's rolling five-year study schedule. The update was intended to gather feedback on staff's intent to shift the coverage period from FY2025–2029 to FY2026–2030, ensuring alignment with the Commission's adopted workplan. The schedule continues to outline municipal service reviews identified in the workplan while recognizing that some studies may extend beyond a single year. Information only.

d) Legislative Report
The Committee received a report on active legislation relevant to the Commission's regulatory and planning responsibilities. Information only.

**

On motion by Alyssa Muto (Solana Beach), seconded by Clem Brown (Del Mar), the Committee unanimously approved the Consent Calendar.

5. BUSINESS ITEMS

a) Update on Sustainable Agricultural Lands Conservation Grant (SALC 2.0)

The Committee received an update on the Commission's ongoing Sustainable Agricultural Lands Conservation (SALC) planning grant, known as "SALC 2.0." This project is being conducted in partnership with the County of San Diego's Planning and Development Services and builds on findings from the initial SALC grant to analyze economic challenges facing small-scale agricultural operations and identify policy solutions. SALC 2.0 is currently in its fifth phase to develop a strategic plan for incentives, technical assistance, regulatory improvements, and other support mechanisms for small-scale agriculture. LAFCO staff seeks Committee input on two key topics: incorporating agricultural analysis into the municipal service review program and establishing a regional working group to promote affordable water access for farmers – including potential city participation.

Staff presentation provided by Local Government Analyst I Meghan Traynor.

Comments were received from the following members:

- Lydia Romero, Lemon Grove
- Tyler Foltz, Imperial Beach
- John Conley, Vista
- Alyssa Muto, Solana Beach

b) Update on High Priority Project | Municipal Service Review on the San Diego Association of Governments

The Committee received an update on LAFCO's scheduled municipal service review of the San Diego Association of Governments (SANDAG) – one of 10 high-priority projects in the approved work plan. This update responds to earlier Committee requests for regular briefings on high-priority municipal service review projects and is intended to ensure members can provide input on behalf of all cities regarding the document's preparation, including its current scale, scope, and performance measures developed to date. Staff seeks feedback on current and pending project activities. The item also provides the Committee with an opportunity to consider establishing a subcommittee to offer more focused input on the review's development, including the formulation of specific recommendations.

Staff presentation provided by Local Government Analyst I Meghan Traynor and LAFCO Consultant Bill Fulton.

Comments were received from the following members:

- Lydia Romero, Lemon Grove
- Tyler Foltz, Imperial Beach
- Alyssa Muto, Solana Beach
- Jennifer Campbell, Encinitas

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BUSINESS ITEMS CONTINUED…

Item 5b Continued
Executive Officer Simonds invited members to form a subcommittee to offer more focused input on the review's development, including the formulation of specific recommendations. The following members volunteered: Lydia Romero (Lemon Grove), Jeniffer Campbell (Encinitas), Lynette Santos (La Mesa), Tyler Foltz (Imperial Beach), Alyssa Muto (Solana Beach), and Gary Halbert (Santee).

**

On motion by Clem Brown (Del Mar), seconded by Lynette Santos (La Mesa) the Committee made a formal recommendation to establish a subcommittee.

c) Current Workplan Update on High Priority Project | Municipal Service Review on Wholesale Water Agencies in San Diego County

The Committee received an update on LAFCO's scheduled municipal service review of wholesale water agencies in San Diego County – one of 10 high-priority projects in the approved work plan. This project includes a comprehensive review of the San Diego County Water Authority (CWA) and a proportional review of the Metropolitan Water District of Southern California (MET). The item is presented for feedback consistent with earlier Committee requests for regular briefings on high-priority municipal service review projects and is intended to ensure members can provide input on behalf of all cities regarding the document's preparation. The item also provides the Committee with an opportunity to consider establishing a subcommittee to offer more focused input on the document's development, including the formulation of specific recommendations.

Staff presentation provided by Assistant Executive Officer Priscilla Mumpower.

Comments were received from the following members:
- Gary Halbert, Santee
- Alyssa Muto, Solana Beach
- Tyler Foltz, Imperial Beach
- Lydia Romero, Lemon Grove

Executive Officer Simonds invited members to form a subcommittee to offer more focused input on the review's development, including the formulation of specific recommendations. Committee discussion followed with the suggestion to the Executive Officer to appoint interested members to form a sub-committee and facilitate meetings if formed.

**

On motion by Alyssa Muto (Solana Beach), seconded by Lydia Romero (Lemon Grove) the Committee made a formal recommendation to authorize the Executive Officer to form a subcommittee.

6. LAFCO EXECUTIVE OFFICER REPORT

Executive Officer Keene Simonds noted the following items:

- Changes to the County Board of Supervisors appointed to LAFCO
- New Public Member Brigette Browning seated as a regular member.

7. OPEN EXPRESSION

Executive Officer Simonds asked if there were any members of the public who wished to address the Committee on a germane topic that is not directly part of the agenda.

The Committee Secretary confirmed there were no pre-registered speakers and no live email comments.

8. ADJOURNMENT

The Cities Advisory Committee meeting was adjourned at 11:17 a.m.

Attest:

Erica Sellen
Committee Secretary

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6a

AGENDA REPORT
Public Hearing | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Michaela Peters, Local Government Analyst II

SUBJECT: **Proposed "Valiano – Eden Hills Reorganization" | Annexation to the San Marcos Fire Protection District, Detachment from Rancho Santa Fe Fire Protection District and Related Actions (RO/OAS19-26)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a landowner-initiated reorganization proposal to accommodate the planned 243-unit "Valiano" residential development in the Harmony Grove unincorporated community. The requested approval involves detaching approximately 11 acres of the project site from the Rancho Santa Fe Fire Protection District (FPD) and annexing it to the San Marcos FPD to ensure the entire 239-acre project site is under one fire agency's jurisdiction. Staff recommends conditional approval of the proposal as submitted with a conforming sphere of influence amendment for Rancho Santa Fe FPD. Conditions include requiring an out-of-agency service agreement between the two FPDs as detailed in the staff report. Staff also recommends the Commission waive protest proceedings, waive Policy L-106, and adopt parallel findings to the Environmental Impact Report (EIR) adopted by the County of San Diego.

BACKGROUND

Applicant Request

San Diego LAFCO has received a landowner-initiated reorganization request from Eden Hills, LLC (Greg Waite, Lance Waite, and Gill Miltenberger) for 10.8 acres within the Valiano project

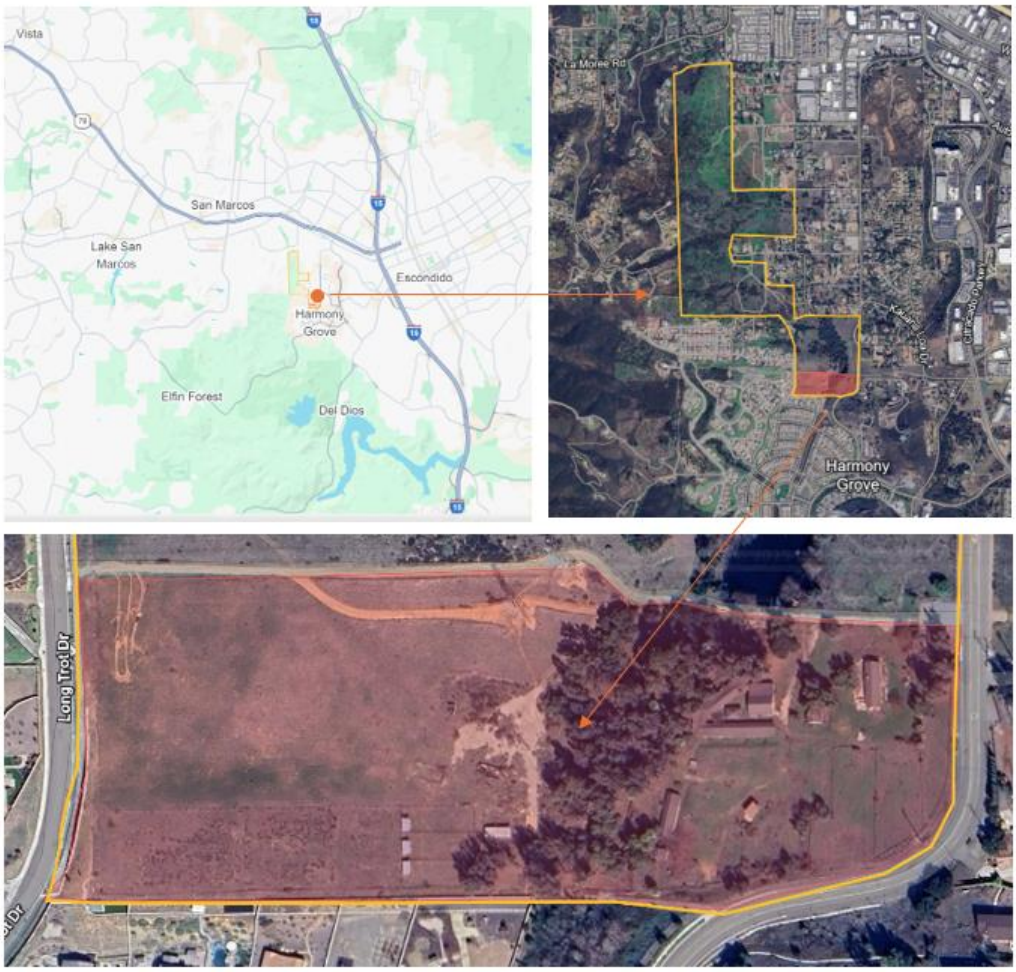
Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

site in the Harmony Grove community. The Valiano project overall encompasses 13 legal parcels that are largely undeveloped and unimproved. The affected territory subject to reorganization consists of a single parcel (232-500-24) at the southern end of the project site located at 1805 Country Club Drive, which contains a previously developed but now unoccupied single-family residence.

Regional Setting

The approximately 10-acre affected territory is in the unincorporated community of Harmony Grove in north-central San Diego County, positioned between the Cities of Escondido and San Marcos — although outside both spheres of influence. The affected territory is surrounded by the established Harmony Grove Village development to the south and rural residential neighborhoods to the east and west. The eastern area is known locally as Eden Valley. Political representation for the affected territory includes County Supervisor Terra Lawson-Remer (Supervisorial District 3), Assemblymember Darshana Patel (Assembly District 76), and Senator Brian W. Jones (Senate District 40). An aerial map of the affected territory and its regional setting – including footprint relative to the Valiano project site – follows with a more detailed map with jurisdictional boundaries provided as Attachment One.



Google Earth

Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves two subject agencies: Rancho Santa Fe FPD and San Marcos FPD.[1] A summary of the subject agencies in terms of population, size, functions, and financial standing follows.

- **Rancho Santa Fe FPD** is an independent special district established in 1946 that serves an estimated 36,497 residents across 28,179 acres (44 square miles). The agency's jurisdiction covers the unincorporated community of Rancho Santa Fe and several smaller county areas, including Whispering Palms, Sun Valley, South Pointe Farms, Rancho Cielo, Del Dios, 4S Ranch, Crosby, Santa Fe Valley, Fairbanks Ranch, Del Mar Country Club, and Elfin Forest. A five-member elected Board of Directors governs the agency and its three integrated active service functions: fire protection, rescue and emergency medical services. LAFCO last updated the agency's sphere of influence in 2008, setting it larger than the agency's actual boundary to include all jurisdictional areas plus more than 1,500 acres of additional lands. As of June 30, 2024, agency's net position is $35.1 million with $11.2 million in unrestricted funds. Available cash on hand at the end of the fiscal year totals $22.6 million. The agency's overall net position has declined (19.6%) over the past three audited fiscal years.

- **San Marcos FPD** is a subsidiary district of the City of San Marcos established in 1936, that serves an estimated 106,015 residents across 21,120 acres (33 square miles). The agency covers all of the City of San Marcos plus surrounding unincorporated areas, including a significant portion of Harmony Grove. San Marcos City Council serves as the agency's Board of Directors and oversees its four integrated services: fire protection, rescue, emergency medical, and ambulance transport.[2] All FPD activities are performed by San Marcos employees. LAFCO last reviewed the agency's sphere of influence in 2014, designating it as "transitional/zero." This designation means the sphere includes no additional territory and suggests the district's functions should eventually be transferred to San Marcos. Agency financials are incorporated into the City of San Marcos. As of June 30, 2024, San Marcos' net position is $1.093 billion and reflects an overall increase of 4.6% over the prior three-year period. San Marcos has separately generated a positive total margin within its governmental activities in two of the last three years with a period average of 0.5%.

Affected Local Agencies

The affected territory presently lies within the jurisdictional boundaries and spheres of influence of 10 local agencies directly subject to San Diego LAFCO's planning and regulatory responsibilities as listed below. These agencies qualify as "affected agencies" relative to the proposal before the Commission and received notice as part of the administrative review.[3]

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[1] State law defines "subject agency" to mean any district or city for which a change of organization or reorganization is proposed. This definition covers Rancho Santa Fe (detachment and sphere amendment) and San Marcos FPDs (annexation and sphere amendment). For purposes of this report, LAFCO is using subject agency in an expanded definition to also include the two other agencies directly affected by the proposal – Cities of Escondido (out-of-agency service agreement and sphere amendment) and San Marcos (sphere amendment).

[2] The agency provides direct services to about 25% of its unincorporated service area, while also contracting with San Diego County's Office of Emergency Services to provide advanced life support ambulance transport as an Exclusive Operating Area provider.

[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.

- 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 del Diablo Municipal Water District
- San Diego County Flood Control District
- San Diego County Street Lighting District
- San Diego County Water Authority

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 School District
- Escondido Union High School District
- San Marcos Unified School District
- Palomar Community College District

DISCUSSION

This item is for San Diego County LAFCO to consider a landowner-initiated proposal to reorganize approximately 11 acres of the planned 243-unit Valiano residential development by transferring the territory from Rancho Santa Fe FPD to San Marcos FPD. The proposal also requires conforming sphere of influence amendments. The Commission may consider applying approval conditions (so long as they do not directly regulate land use, property development, or subdivision requirements) and/or modifying the proposal to add or remove territory. The Commission may also disapprove the proposal. Additional discussion on purpose, associated land uses, and Commission focus areas follows.

Proposal Purpose

The purpose of the approval request before San Diego LAFCO is to facilitate the planned 243-unit Valiano residential development in the Harmony Grove unincorporated community. Specifically, LAFCO's role is to reorganize and consolidate fire protection services within the affected territory under one service provider—San Marcos FPD. The timing of this proposal stems from the applicant's conditional approval from San Diego County in July 2018 for the underlying development, which included reorganization of fire protection services among other requirements. The Elfin Forest Harmony Grove Town Council and Sierra Club challenged the approval, leading to negotiated settlements in late 2024 that revised the development's scope and most notably reduced the number of residential units from 326 to 243. The fire protection reorganization remains a required condition of the development project.

Current and Planned Uses

The affected territory is unincorporated and under the land use authority of San Diego County and its adopted policies. The territory was most recently redesignated and rezoned by the Board of Supervisors in July 2018 as part of approving the Valiano project. The current project scope includes 243 single-family residences and related improvements (roads, curbs, community spaces, etc.) as well as dedicated open space. The affected territory will be developed in the first of five construction phases, featuring nine single-family residences on the western half of the subject parcel with the remainder dedicated to ancillary improvements and open space. Additional details on County land use policies are provided in Appendix A.

Commission Focus

State law provides three central and sequential policy items underlie San Diego LAFCO's consideration of the proposal to facilitate the Valiano development project by consolidating fire protection services under San Marcos FPD. These three policy items require determinations on (a) a conforming sphere of influence amendment, (b) the reorganization itself, and (c) whether modifications or approval conditions are appropriate.

ANALYSIS

San Diego LAFCO's analysis of the proposal is divided into two subsections. The first subsection evaluates the three central issues referenced in the preceding section, considering both statutory and local policy requirements for the requested reorganization of fire protection services. The second subsection addresses other relevant issues, particularly compliance with the California Environmental Quality Act (CEQA).

LAFCO Statute and Local Policy

Item No. 1 | Conforming Sphere Amendment

The proposed reorganization requires San Diego LAFCO to consider a conforming sphere of influence action to achieve consistency under statute and local policy.[4] The action specifically involves removing the affected territory from Rancho Santa Fe FPD's sphere. No amendment is necessary for San Marcos FPD given its designation as a transitional or "zero" sphere.[5] This action is premised on LAFCO's statutory responsibility to designate spheres that delineate the appropriate jurisdictional boundaries and/or service areas for affected agencies now and into the immediate future. The following analysis addresses the relevant state and local policy factors underlying the Commission's decision-making.

[4] A sphere of influence is a planning boundary indicating where a city or district is expected to provide services in the future, while a jurisdictional boundary defines the area where it currently holds legal authority and provides services.

[5] A zero-sphere designation does not include territory and may be designated to signal service responsibility of the agency should ultimately be reassigned to another agency. In the case of San Marcos FPD, LAFCO approved a transitional sphere of influence in 1984 to reflect the District's status as a subsidiary of the City of San Marcos.

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

  Statute requires LAFCO to prepare municipal service reviews to inform sphere updates every five years with L-106 requiring reviews within five years for amendments unless waived. Rancho Santa Fe FPD's most recent review was completed in 2007. A new municipal service review does not appear warranted given the limited scope of this amendment and the evaluation performed for this proposal.

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

  Statute requires LAFCOs to consider five factors when acting on spheres of influence. These factors focus on agency-territory relationships, service needs and adequacy, land use compatibility, and effects on disadvantaged unincorporated communities. The factors and staff analysis follow.

  - With respect to **present and planned land uses**, the affected territory consists of one parcel totaling 10.8 acres of unincorporated territory developed with a currently unoccupied single-family residence. The subject parcel is currently designated Semi-Rural-2 with a minimum lot size of 2.0 acres. The County has conditionally approved re-designating as part of the Valiano development to Semi-Rural-0.5 with a minimum lot size of 0.5 acres. The planned development will place nine single-family residences on the subject parcel and proportionally increase the need for integrated fire protection, rescue, and emergency medical services. Removing the subject parcel from the Rancho Santa Fe FPD sphere facilitates the detachment and concurrent annexation into San Marcos FPD as required by the development approval, ensuring uniform administration of fire code and related building and construction standards under one fire service provider.

  - With respect to the **present and probable need for one or more public services**, there is existing need for integrated fire protection, rescue, and emergency medical services to the subject parcel and its existing single-family residence. This existing need will intensify with the planned placement of nine single-family residences as part of the larger 243-unit Valiano project. Removing the subject parcel from the Rancho Santa Fe FPD sphere facilitates the detachment and concurrent annexation into San Marcos FPD as required by the development approval, ensuring uniform administration of fire code and related building and construction standards for the entire project under one fire service provider.

  - With respect to the **overall adequacy of the agencies' public services**, emergency first responder services to the subject parcel for fire protection, rescue, and emergency medical will remain with Rancho Santa Fe FPD given the proximity of its newly constructed Fire Station No. 5 and its assigned resources. Additional analysis on emergency first responder duties is provided in the following section.

- With respect to **social or economic communities of interest if relevant to the agencies**, the sphere amendment to accommodate the reorganization ensures the subject parcel will be served by San Marcos FPD, providing uniform administration of fire code and related building and construction standards for the entire project under one fire service provider.

- With respect to the **present and probable need for services involving any disadvantaged unincorporated communities (DUC)**, the entire affected territory is part of a large qualifying DUC under LAFCO statute. However, further analysis is not required in this case, as the reorganization does not involve a city - an action that would otherwise trigger additional review under state law and local LAFCO policy. Further, other service needs within the affected territory - specifically fire and police protection, water, and wastewater - are already available.

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

  San Diego LAFCO's sphere of influence policies are codified under L-102, which directs the Commission to use spheres to guide reorganizations, preserve community identities, discourage service duplication, and encourage agency consolidations. The proposed sphere amendment conforms with L-102 by facilitating modest jurisdictional changes to ensure uniform fire code and building standards administration across the entire Valiano project site through San Marcos FPD.

CONCLUSION | MERITS OF A CONFORMING SPHERE OF INFLUENCE AMENDMENT

The conforming sphere amendment to Rancho Santa Fe FPD appears justified based on the preceding analysis and following two assumptions.

- It is assumed the Commission believes a new municipal service review under L-106 is unnecessary for Rancho Santa Fe FPD - and/or perhaps San Marcos FPD - given local circumstances. Specifically, the amendment to remove the affected territory from Rancho Santa Fe FPD's sphere to facilitate detachment and annexation into San Marcos FPD involves a limited and well-defined change that can be sufficiently evaluated on a micro level as part of this proposal evaluation.

- It is assumed the Commission believes prioritizing the accommodation of the Valiano project as conditioned by the County of San Diego and emphasis on uniform fire and building code standards to cover the entire Valiano development site via reorganization justifies the conforming sphere amendment; emergency first responses from Rancho Santa Fe FPD will continue to the affected territory.

Item No. 2 |
Reorganization Request

San Diego LAFCO's consideration of the proposed reorganization and its timing draws on analyzing baseline factors required in statute as well as applicable policies set by the Commission.[6] 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.

- Timing Factor No. 1:
  Baseline Considerations: Regional Policies + Service Relationships

  State law requires LAFCOs to consider multifaceted factors when reviewing jurisdictional changes. These factors range from mandatory disclosures (land uses, assessed values, voter counts, etc.) to discretionary analyses evaluating the relationship between proposed changes and community needs, service capacities, and agency financial resources. Key conclusions regarding service needs, availability, capacities, and financial considerations follow.

  - With respect to **service needs**, the planned Valiano project will intensify land use within the affected territory from one existing single-family residence to nine single-family residences – a nine-fold increase in residential density. This development will significantly elevate the demand for integrated fire protection, rescue, emergency medical services, and related administrative functions, including fire prevention and building code enforcement services. The proposed reorganization would designate San Marcos FPD as the legal entity responsible for providing these services going forward.

  - With respect to **service availability and capacities**, the proposed reorganization addresses integrated fire protection, rescue, emergency medical services, and related administrative functions - including fire prevention and building code enforcement - within the affected territory. The reorganization would transfer the legal responsibilities from Rancho Santa Fe FPD to San Marcos FPD. Both agencies have available capacity to serve the affected territory at its planned development intensity. However, geographic proximity creates a unique operational situation. Rancho Santa Fe FPD's Station No. 5 is located less than 0.5 miles away at 2604 Overlook Point Road and will likely remain the probable first responder post-reorganization due to its proximity advantage. This station opened in October 2020 – two years after Valiano project approval – and operates 24/7 with a staffed fire engine company. San Marcos FPD's closest resource is Station 3 at 404 Woodland Parkway and is approximately 2.5 miles away; it similarly maintains 24/7 operations with a staffed fire engine company with paramedics.

[6] 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).

- With respect to **related financial considerations**, staff analysis shows San Marcos FPD, via its subsidiary status within the City of San Marcos, has the financial resources and administrative controls to readily assume integrated fire protection, rescue, and emergency medical services for the affected territory in support of its planned uses without impacts to current residents. This assessment considers a financial analysis of the last three fiscal years with key findings as follows:

    - San Marcos has generated a positive total margin within its governmental fund activities in two of the last three audited fiscal years (FY22 to FY24). The average total margin has been 0.5%.

    - San Marcos' most recent audited net position is $1.093 billion as of June 30, 2024. This amount represents an overall increase of 4.6% over the last three audited fiscal years (FY22 to FY24).

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

  San Diego LAFCO adopted Policy L-107 in May 2010 requiring all applicants to disclose jurisdictional disputes or related items associated with their proposal filings, with additional details as determined by the Executive Officer.[7] As part of the administrative review process, the applicants disclosed litigation and subsequent settlement involving the underlying development project associated with the reorganization. The settlement agreement with the Elfin Forest Harmony Grove Town Council and the Sierra Club produced project revisions that include all of the following:

  - Reduction of 25% in residential units from 326 to 243.
  - Reduction of the development footprint by approximately 7 acres.
  - Addition of a fire emergency access road from Hill Valley Road to La Moree Road (within the City of San Marcos).
  - Reduction in Neighborhood 5 from 55 to 25 lots to support larger parcels and equestrian uses (included in the overall unit reduction).

  No other disputes have been disclosed by the applicant or the subject agencies.

(continued)

[7] The Executive Officer retains discretion to determine the extent of consultation needed.

CONCLUSION | MERITS OF REORGANIZATION

The proposed reorganization supports a 243-unit residential development conditionally approved by the County of San Diego in 2018 and covers the affected territory and 228 additional acres. This development substantiates the need for integrated fire protection, rescue, emergency medical services, and related administrative functions throughout the project site. Assigning San Marcos FPD as the legal service provider aligns with LAFCO policies directing urban development toward cities and their subsidiaries. However, a significant development has occurred since County approval with Rancho Santa Fe FPD opening Station No. 5 within 0.5 miles of the affected territory. This means Rancho Santa Fe FPD – and not San Marcos FPD – will be the probable first responder for the entire Valiano project. Consequently, the reorganization timing appears dated and creates conflict with LAFCO's fundamental task to align service responsibilities with jurisdictional boundaries. This dynamic merits additional consideration, and staff believes this is most appropriately addressed in LAFCO's conditioning authority.

Additional analysis of the statutory factors is provided in Appendix A.

Item No. 3 |
Modifications and Terms

No modifications to the submitted reorganization have been identified by San Diego LAFCO staff meriting Commission consideration at this time. This includes confirmation the reorganization of the affected territory would not generate any corridors or otherwise illogical jurisdictional features. The application of standard approval terms appears sufficient and includes requiring the applicant to pay any outstanding fees necessary to complete the approval as provided under the San Diego LAFCO fee schedule.

In addition to standard terms, staff believes a special condition is merited for Commission consideration to address the timing issue detailed in the preceding section where Rancho Santa Fe FPD – rather than San Marcos FPD – will be the probable first responder to the entire Valiano project site based on existing resources. Conditioning approval on San Marcos FPD entering into an out-of-agency service agreement with Rancho Santa Fe FPD would memorialize expected first-response duties and – pertinently – compensation (monetary or other). This condition would serve as an effective workaround within LAFCO statute to approve the reorganization while addressing the need to match and formalize service responsibilities with service providers – either in annexation form or, as a substitute, through out-of-agency agreement form. It concurrently helps to ensure Rancho Santa Fe FPD constituents are not subsidizing costs for an out-of-jurisdiction development.

CONCLUSION | MERITS OF ANY MODIFICATIONS OR TERMS

No modifications to the submitted reorganization appear warranted. Conditions are recommended as provided above and marked by San Marcos FPD entering into an out-of-agency service agreement with Rancho Santa Fe FPD to address its first responder role for the Valiano project site. The agreement would not need authorization from the Commission under Section 56133(e), but would need to be signed by both agencies and submitted to LAFCO before a Certificate of Completion is recorded.

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 involving an annexation and/or detachment 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. LAFCO is in receipt of a tax exchange agreement covering the proposed reorganization adopted by the County Board of Supervisors on September 10, 2025. This agreement provides for a full exchange of the portion of property taxes currently allocated from the affected territory to Rancho Santa Fe FPD to San Marcos FPD should the proposal be approved by LAFCO. The current fiscal year value of the property tax exchange is $660.

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. Accordingly, the Commission is tasked with making one or more findings under CEQA in consideration of the proposed reorganization. Staff analysis follows.

- The County of San Diego serves as the lead agency for assessing potential impacts of the reorganization proposal under CEQA. On December 6, 2024, the County certified an Addendum Environmental Impact Report (EIR) and adopted a Notice of Determination (NOD), making findings that the project will not have a significant effect on the environment. This included conditioning the project on mitigation measures outlined in an adopted Mitigation Monitoring and Reporting Program. Staff independently believes the County has prepared sufficient documentation as lead agency in assessing and mitigating potential impacts, and it would be appropriate for the Commission to adopt parallel findings as responsible agency.

- San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendment to Rancho Santa Fe FPD. It is recommended the Commission find this action constitutes a project under CEQA but is exempt from further review under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given that spheres are planning policies that do not result in environmental changes or authorize new uses.

Protest Proceedings

Protest proceedings for the proposed reorganization may be waived by LAFCO should the Commission proceed with approval under Government Code Section 56662. The waiver appropriately applies given that the affected territory is uninhabited as defined under LAFCO law (i.e., fewer than 12 registered voters), the subject agencies have not filed an objection to the waiver, and the landowner has consented to the underlying action.[8]

RECOMMENDATION

Staff recommends actions to conditionally approve the reorganization proposal as submitted with a conforming sphere of influence amendment to Rancho Santa Fe FPD. This recommendation is consistent with Alternative One in the following section.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO:

Alternative One (recommended):
Adopt the attached resolution conditionally approving the reorganization proposal along with a conforming sphere of influence amendment to Rancho Santa Fe FPD. The following sub actions are also provided within the draft resolution:

- Waive L-106
- Waive Protest Proceedings
- Make CEQA Findings

Alternative Two:
Continue consideration to the next regular meeting.

Alternative Three:
Disapprove of the reorganization proposal with direction to staff to return at the next regular meeting with a conforming resolution for adoption.

[8] LAFCO law defines uninhabited as territory in which less than 11 registered voters reside.

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO's agenda 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,

Michaela Peters

Michaela Peters
Local Governmental Analyst II

Appendix:

A) Analysis of Proposal Review Factors

Attachments:

1) Vicinity Map of the Affected Territory
2) Draft Resolution of Approval
3) Application Materials
4) County of San Diego, Addendum EIR Resolution (online only)

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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 10.8-acre unincorporated parcel currently within the County of San Diego, situated between the Cities of Escondido and San Marcos and immediately north of the Harmony Grove development. The subject parcel is one of 13 comprising the Valiano development and is planned to be developed into nine single-family residences as part of a 243-unit project.

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 proposed reorganization affects only integrated fire protection, rescue, and emergency medical services. The affected territory is currently served by the Rancho Santa Fe FPD and is expected to continue post-reorganization and detachment given established first-response practices among public safety providers.

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 reorganization would create social and economic ties between the affected territory with San Marcos FPD.

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.

The proposed reorganization supports a 243-unit residential development conditionally approved by the County of San Diego in 2018 and covers the affected territory and 228 additional acres. This development substantiates the need for integrated fire protection, rescue, emergency medical services, and related administrative functions throughout the project site. Assigning San Marcos FPD as the legal service provider aligns with LAFCO policies directing urban development toward cities and their subsidiaries. However, geographic proximity creates a unique operational situation. Rancho Santa Fe FPD's Station No. 5, located less than 0.5 miles away at 2604 Overlook Point Road, will likely remain the probable first responder post-reorganization due to its proximity advantage. This topic is detailed in the associated agenda report.

The affected territory does not contain "open space" as defined under LAFCO law and no conflicts exist under Government Code Section 56377.

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 out-of-agency service agreement and reorganization proposal 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 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 reorganization would reconstitute fire protection, rescue, and emergency medical services to the affected territory and in doing so accommodate the planned construction of a 243-unit residential subdivision consistent with County zoning. The 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.

The affected territory is designated by the County via an amended General Plan as Semi-Rural Residential (SR 0.5), allowing for one dwelling unit per 0.5 acre. A similar zoning amendment designates the area as Specific Plan (S88), allowing one dwelling unit per 0.5 acre.

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

See agenda report.

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

Notice of the reorganization 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, and no written comments were submitted in response.

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.

See agenda report.

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 within the Rincon del Diablo MWD's retail potable water system with wholesale supplies provided by the San Diego County Water Authority and the Metropolitan Water District of Southern California. Approval of the proposed reorganization would not affect these existing relationships and/or commitments.

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 reorganization 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 landowner supports the proposed reorganization 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 proposed reorganization is not expected to have a negative impact on environmental justice. A review of existing pollution burdens and susceptible populations within the affected territory follows, based on data available from the California Environmental Protection Agency through its online assessment tool (CalEnviroScreen 4.0).

- The affected territory's **composite pollution burden ranking** falls in the 58th percentile with an internal range between the 8th and 96th percentiles. Five pollution burden measurements exceed the 50th percentile and are considered noteworthy. These measurements are related to Cleanup Sites, Groundwater Threats, Hazardous Waste, Impaired Water, and Solid Waste.

- The affected territory's **composite susceptible population ranking** falls in the 23rd percentile with an internal range between the 4th and 76th percentiles. Two of these at-risk groups exceed the 50th percentile and include Low Birth Rate and Housing Burden.

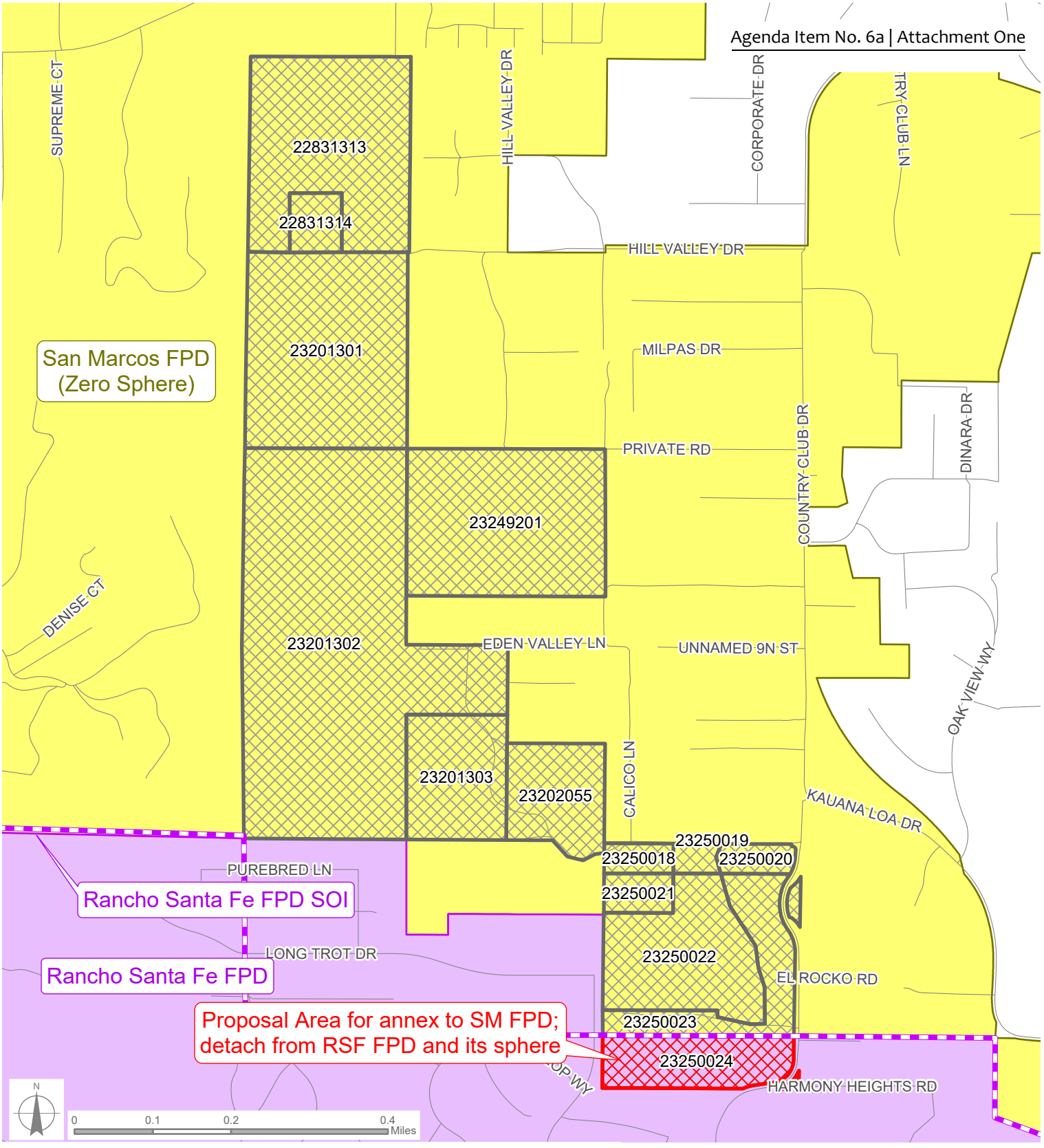
A summary of all tracked pollution burdens and susceptible populations follows.

Census Tract No. 6073020306
Pollution Burdens and Susceptible Population
(Source: California Environmental Protection Agency and SD LAFCO)

	Affected Territory + Surrounding Lan
Census Tract No.	6073020306
Estimated Population	9,659
Pollution Burden	Weighted Percentile
… Percentile	**58.7**
Indicator | Air Quality: Ozone	45.0
Indicator | Air Quality: PM 2.5:	13.0
Indicator | Air Quality: Diesel PM:	26.6
Indicator |Pesticides:	45.5
Indicator | Toxic Releases:	15.2
Indicator |Traffic:	47.6
Indicator | Drinking Water Contaminants:	42.5
Indicator | Lead in Housing:	8.7
Effects | Cleanup Sites:	**64.7**
Effects | Groundwater Threats:	**64.2**
Effects | Hazardous Waste:	**89.2**
Effects | Impaired Water:	**96.3**
Effects | Solid Waste:	**66.7**
Sensitive Population	Weighted Percenti
… Percentile	23.0
Population | Asthma:	4.9
Population | Low Birth Weight:	**51.3**
Population | Cardiovascular Disease:	24.9
Population | Education:	15.8
Population | Linguistic Isolation:	24.8
Population | Poverty:	42.6
Population | Unemployment:	26.9
Population | Housing Burden:	**76.0**

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 includes a hazard mitigation component addressing risks from fire, flooding, and earthquakes. The affected territory is designated within a "very high" fire hazard severity zone, a "low" earthquake hazard zone, and is located outside of both tsunami hazard zones and the 100-year floodplain.



RO19-26

"VALIANO - EDEN HILLS REORGANIZATION" | ANNEXATION TO SAN MARCOS FPD, DETACHMENT FROM RANCHO SANTA FE FPD AND RELATED ACTIONS

SOI = Sphere of Influence

- Rancho Santa Fe FPD SOI
- Proposal Area - fire related
- Specific Plan 13 parcels & 228-313-14
- Rancho Santa Fe FPD
- San Marcos FPD

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

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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A REORGANIZATION

"VALIANO – EDEN HILLS REORGANIZATION"
ANNEXATION TO THE SAN MARCOS FIRE PROTECTION DISTRICT, DETACHMENT FROM RANCHO SANTA FE FIRE PROTECTION DISTRICT AND RELATED ACTIONS
LAFCO FILE NO: RO19-26

WHEREAS, on December 10, 2019, Eden Hills LLC 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 before the Commission seeks approval of a reorganization of approximately 10.8 acres of unincorporated territory involving the concurrent detachment from the Rancho Santa Fe Fire Protection District (FPD) and annexation to the San Marcos FPD; and

WHEREAS, the reorganization is proposed to facilitate a larger development project known as "Valiano," which comprises approximately 240 unincorporated acres and was conditionally approved by the County of San Diego for development into 243 residential units and ancillary improvements; and

WHEREAS, the affected territory as proposed for reorganization includes one legal parcel of approximately 10.8 acres identified by the County of San Diego's Assessor's Office as 232-500-24 with a current situs of 1805 Country Club Drive; and

WHEREAS, on September 10, 2025, and consistent with law, the County of San Diego adopted a property tax exchange agreement that will govern the property tax exchange associated with the reorganization of the affected territory; and

WHEREAS, the Commission has reviewed and considered the California Environmental Quality Act (CEQA) documentation prepared for the Valiano project and reorganization by the County of San Diego as the lead agency; and

WHEREAS, the Commission's Executive Officer has reviewed the proposed reorganization – including the merits of a conforming sphere of influence amendment for Rancho Santa Fe FPD – 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 provided notice of the public hearing on the proposal in the manner required by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a noticed public meeting on the proposal on October 6, 2025; and

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, BE IT RESOLVED by the Commission 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 reorganization under CEQA, the Commission's makes the following findings:

    a) The County of San Diego serves as the lead agency under the CEQA for the reorganization as part of its discretion to approve the underlying Valiano development project. On December 6, 2024, the County certified an Addendum Environmental Impact Report (EIR) and adopted a Notice of Determination (NOD), making findings that the project – including the proposed reorganization – will not have a significant effect on the environment. This included conditioning the project on mitigation measures outlined in an adopted Mitigation Monitoring and Reporting Program. The Commission independently believes the County has prepared sufficient documentation as lead agency in assessing and mitigating potential impacts, and it would be appropriate for the Commission to adopt parallel findings as responsible agency.

    b) San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendment to facilitate the proposed detachment of the affected territory from Rancho Santa Fe FPD. The Commission finds this activity qualifies as a project under CEQA but exempt from further review under State CEQA Guidelines Section 15061(b)(3). This exemption appropriately applies given it can be seen with certainty spheres are planning policies, and any amendments do not make any changes to the environment or authorize any new uses.

4. The Commission <u>CONDITIONALLY APPROVES</u> the amendment to remove the affected territory from Rancho Santa Fe FPD's sphere of influence and in doing so accommodate the reorganization as shown in the vicinity map provided as Exhibit A.

a. Approval of the above-stated sphere of influence amendments includes an enabling waiver by the Commission as recommended by the Executive Officer of the provision in L-106 that would otherwise require the preparation of one or more municipal service reviews.

b. Approval of the above-stated sphere of influence amendment is contingent upon the approval and related issuance of a Certificate of Completion.

c. Approval includes the Commission making findings under Government Code Section 56425 consistent with the statements provided in the accompanying Executive Officer's written report.

d. The Commission attests no amendment is necessary to the San Marcos FPD sphere of influence given its "transitional designation" and expectation therein by the Commission that the agency ultimately dissolve and fully annex into the City of San Marcos at a future time.

5. The Commission CONDITIONALLY APPROVES the reorganization without physical modifications subject to conditions as provided. Approval involves all the following jurisdictional changes:

   a) Detachment of the affected territory from Rancho Santa Fe FPD as shown in "Exhibit B-1" and described in Exhibit "B-2."

   b) Annexation of the affected territory to the San Marcos FPD as shown in "Exhibit B-1" and described in "Exhibit B-2".

6. The Commission CONDITIONS all approvals on the following terms being satisfied by October 6, 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) An agreement between San Marcos FPD and Rancho Santa Fe FPD establishing terms and related compensation – monetary or otherwise – for Rancho Stanta Fe FPD to continue to provide first responder fire protection, rescue, and emergency medical services to the affected territory and the balance of the Valiano project.

   c) 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.

   d) Submittal to the Commission of the following payments:

- A check made payable to LAFCO in the amount of $100.00 for the County of San Diego-Clerk Recorder to reimburse for filing a CEQA Notice of Exemption and Notice of Determination consistent with the findings in the resolution.
- A check made payable to the State Board of Equalization for processing fees in the amount of $500.00.
- A check made payable to LAFCO to reimburse for the actual costs of noticing the proposal for the public hearing in the San Diego Union Tribune.

e) Written confirmation from San Marcos FPD that all terms required of their Board involving the reorganization are satisfied.

7. The Commission assigns the proposal the following short-term designation:

   "Valiano – Eden Hills Reorganization".

8. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.

9. The Commission waives conducting authority proceedings under Government Code Section 56662.

10. The Rancho Santa Fe and San Marcos FPDs are registered-voter districts. Both utilize the County of San Diego assessment roll.

11. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the San Marcos FPD as provided under Government Section 57328, and will be subject to any previously authorized taxes, benefit assessments, fees or charges of the San Marcos FPD as provided under Government Code Section 57330.

12. The effective date of 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.

13. As allowed under Government Code Section 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to the resolution to address any technical defects, errors, irregulates, or omissions.

14. The Executive Officer is hereby authorized and directed to transmit copies of this resolution as provided in Sections 56880-56882 of the Government Code.

15. 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 October 6, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

**

ATTEST:

_____
Keene Simonds
Executive Officer

EXHIBIT A
MAP OF SPHERE OF INFLUENCE AMENDMENT FOR THE RANCHO SANTA FE FPD

-Placeholder-

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EXHIBIT B-1
MAP OF THE AFFECTED TERRITORY
CONCURRENT DETACHMENT FROM RANCHO SANTA FE FPD AND
ANNEXATION TO SAN MARCOS FPD

-Placeholder-

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EXHIBIT B-2
GEOGRAPHIC DESCRIPTION OF THE AFFECTED TERRITORY
CONCURRENT DETACHMENT FROM RANCHO SANTA FE FPD AND
ANNEXATION TO SAN MARCOS FPD

-Placeholder-

LAFCO Application - Petition for Proceedings

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 APN # 232-500-24 to the San Marcos FPD, remove from Rancho Santa Fe FPD | Sphere amendment to remove APN # 228-313-13 from San Marcos to City of Escondido

2. The reason(s) for the proposal are: To annex parcels to San Marcos FPD w/detachment from Rancho Santa Fe FPD + related sphere of influence amendments

(-) Sphere of influence amendment to City of San Marcos

Lance M. Waite
Proponent's Name (print)

Signature of proponent or representative

701 Palomar Airport Rd. Suite 150, Carlsbad, CA 92011
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 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: Sphere amendment to remove APN# 228-313-13 from City of San Marcos, Annex APN# 232-500-24 w/ (+) SOI to San Marcos FPD & detachment from Rancho Santa Fe FPD (-) SOI amendment

(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: County Specific Plan 13-001

(d) The reason(s) for the proposal is/are: To develop 243 units on 238.8 acres called the "Valiano" Specific Plan

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

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

1. Lance M. Waite — 701 Palomar Airport Rd Suite 150, Carlsbad, CA 92011
   Name of chief proponent (print) — mailing address
2. _____
   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: N/A
2. The proposed name(s) of the new district(s) is/are: N/A

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: N/A
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: N/A

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 [signature] Print Lance M. Waite	See Attachment A (Application)	1-22-2025	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

List of Assessor Parcel Numbers

Attachment A

Specific Plan SP 13-001 consists of 13 individual parcels referenced as follows:

ASSESSOR PARCEL NUMBERS:

228-313-13, 232-013-01, 232-013-02, 232-013-03, 232-020-55, 232-492-01, 232-500-18, 232-500-19, 232-500-20, 232-500-21, 232-500-22, 232-500-23, 232-500-24

Fire District Reorganization:

ASSESSOR PARCEL NUMBERS:

232-500-24

7a

AGENDA REPORT
Business | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

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

SUBJECT: **Proposed "Brown – Quarry Road LLC Change of Organization" | Annexation to San Diego County Sanitation District & Related Actions (LAFCO File No. CO24-14)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a change of organization proposal initiated by landowner petition to annex 10.7 acres of unincorporated territory in Bonita to the San Diego County Sanitation District (County SD). The affected territory as submitted consists of one vacant and undeveloped parcel located outside the agency's established sphere of influence. The purpose of the proposal is to make public wastewater service available to the affected territory and in doing so accommodate the planned development of a self-storage facility and ancillary improvements, which is allowed by a major use permit under the existing residential zoning assignment. Staff recommends conditional approval of the proposal as submitted without modifications as well as waiving protest proceedings and adopting parallel environmental findings made by the County of San Diego in approving the underlying development. Staff is also recommending the Commission forgo a sphere of influence amendment for consistency purposes specific to local conditions as detailed. The item has been placed on the business calendar given the preceding sphere complexity paired with the uniqueness of the request relative to accommodating a non-residential use within a residentially zoned area.

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

BACKGROUND

Applicant Request

San Diego LAFCO has received a change of organization proposal initiated by an interested landowner – Charles Brown – requesting approval to annex 10.7 acres of unincorporated territory in Bonita to County SD. The affected territory as submitted comprises one entire legal parcel presently undeveloped with no physical improvements. The parcel has been pre-assigned a situs of 5780 Quarry Road and is identified by the Assessor's Office as 586-050-62.[1] The affected territory lies outside the County SD sphere of influence with a majority lying inside the City of Chula Vista sphere. These existing designations allow the Commission by practice to consider approving applicant requests to annex their unincorporated properties to County SD without concurrent sphere amendments.

Regional Setting

The affected territory is located in southeast San Diego County within the unincorporated community of Bonita, positioned between Interstate 805 to the west, State Route 54 to the north, and Interstate 125 to the east. The subject parcel sits along the State Route 125 corridor with access provided via Sweetwater Road and Quarry Road, placing it in an area transitioning from rural residential development to more suburban uses. The surrounding neighborhood consists primarily of large-lot residential properties with a golf course located approximately half a mile away. The subject parcel falls within County Supervisorial District No. 1 (Paloma Aguirre), Assembly District No. 79 (LaShae Sharp-Collins), and Senate District No. 39 (Akilah Weber Pierson). An aerial illustrating the affected territory and its regional setting follows on the next page, with a more detailed parcel-level map – including the relationship to County SD's existing jurisdictional boundaries – provided as Attachment One.



Google Earth

[1] Three undeveloped parcels (APNs 586-050-48, -36, and -44) were merged into a single parcel, APN 586-050-62, on May 27, 2025, through an approved Certificate of Compliance (PDS2022-CC-22-0102) issued in conjunction with the conditionally approved Major Use Permit (PDS2021-MUP-21-009) for the underlying development project.

Subject Agency

The proposed change of organization filed with San Diego LAFCO involves one subject agency: County SD.[2] A summary of the subject agency in terms of governance, resident population, municipal functions, and financial standing follows.

- **County SD** is a dependent special district governed by the County of San Diego and serves as successor agency to a multi-agency consolidation completed by LAFCO in 2010. The lone active service function is wastewater (collection, treatment, and disposal classes). The jurisdictional boundary spans approximately 46 square miles – or 29,571 acres – and is divided between seven distinct service areas – Alpine-Lakeside, Campo, East Otay Mesa, Julian, Pine Valley, Spring Valley, and Winter Gardens – with a combined LAFCO estimated resident population of 144,272. The affected territory subject to the proposal before LAFCO lies in the Spring Valley Service Area (SSA) with a stand-alone population estimate of 107,021. Wastewater collected within Spring Valley SSA flows to the City of San Diego's adjacent collection system and thereafter to the Point Loma Treatment Facility before discharge into the Pacific Ocean; the latter is operated by the Metro Wastewater Joint Powers Authority with the District as one of the signatories. LAFCO established a sphere of influence for County SD in 2010. The sphere was most recently reviewed and affirmed in 2019 with a mixed designation to both (a) include approximately 9,300 non-jurisdictional acres as well as (b) exclude approximately 2,100 jurisdictional acres with the latter including lands adjacent to the affected territory. The sphere also includes three special study areas established in 2011 and comprise 396 acres adjacent to the Alpine-Lakeside (two) and Pine Valley (one) service areas. County SD's audited net position is $152.3 million as of June 30, 2024 with an unrestricted balance of $73.2 million. This includes an ending accrued cash balance of $73.1 million. The ending net position reflects an overall change during the last three audited years of 8.9%.

Affected Local Agencies

The affected territory presently lies within the jurisdictional boundaries and/or spheres of influence of nine 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]

- Bonita-Sunnyside Fire Protection District
- City of Chula Vista (sphere of influence only)
- County Service Area No. 135 (Regional Communications)
- Metropolitan Water District of Southern California
- San Diego County Flood Control District
- San Diego County Street Lighting District

[2] State law defines "subject agency" to mean any district or city for which a change of organization or reorganization is proposed.
[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 Water Authority
- San Diego Unified Port District (sphere of influence only)
- South Bay Water 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:

- Chula Vista Elementary School District
- Sweetwater Union High School District
- Southwestern 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 annex the affected territory to the County SD. 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 follows.

Proposal Purpose

The purpose of the proposed change of organization before San Diego LAFCO is to establish public wastewater service to the affected territory and in doing so facilitate the planned development of the Quarry Storage Project. This project involves construction of an approximate 132,00 square foot self-storge commercial facility consistent with County zoning regulations through the issuance of a discretionary major use permit. Additional details including other planned project features are footnoted.[4] The timing of the proposal filing with LAFCO ties to a term set by the County requiring annexation to the County SD for wastewater service prior to the issuance of a Major Use Permit (PDS2021-MUP-21-009), which was conditionally approved on December 6, 2024.[5] No other municipal service establishments are proposed given the affected territory already lies within South Bay Water for potable water and within the Bonita-Sunnyside Fire Protection District for fire protection, rescue, and emergency medical services.

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 with specific development standards delegated to the Sweetwater Community Plan (2011).[6] The County designates the affected territory as Village Residential (Vr-2) with a conforming zoning assignment of Rural Residential (RR). This latter designation provides a minimum lot size of 0.5 acres. Self-storage facilities are

[4] The Quarry Storage Project has been conditionally approved, with a Major Use Permit authorizing construction of a 132,425-square-foot self-storage facility and a 1,000-square-foot leasing office. Associated improvements include a graded parking lot with 21 standard spaces, 109 covered recreational vehicle (RV) parking spaces, a fuel management zone, a limited building zone, community trails, a multi-use pathway, and frontage improvements.

[5] A Certificate of Compliance (PDS2022-CC-22-0102) was also conditionally approved to authorize the merger of three parcels.

[6] A portion of the affected territory lies within the City of Chula Vista's sphere of influence but is not currently pre-zoned.

permitted within the RR Use Regulation subject to approval of a Major Use Permit (MUP) under the County's Zoning Ordinance Section 6909, which regulates mini warehouses as part of Miscellaneous Use Regulations. Accordingly, the proposed development is consistent with and compliant with the requirement for a Major Use Permit, as reflected in the Planning Commission's conditional approval of the MUP, as described in the preceding section.

ANALYSIS

San Diego LAFCO's current sphere of influence designation for County SD expands the analysis of the proposed change of organization to address the merits of four stand-alone items. These analysis items take the form of determinations and involve the (a) appropriateness of a sphere amendment, (b) timing of the boundary change, (c) potential discretionary modifications or terms, and (d) other relevant statutory requirements. Staff's analysis of these items follows.

Sphere of Influence Amendment

State law requires all jurisdictional changes approved by San Diego LAFCO to be consistent with the spheres of influence of the subject agencies. In most case, this statutory threshold would necessitate the Commission to consider an amendment to include the affected territory within the County SD's sphere of influence to accommodate the proposed annexation.[7] However, and pertinently applicable to the affected territory, the Commission has established a unique, standing, practice specific to County SD to purposefully exclude jurisdictional lands in Bonita from the sphere of influence that lie within the City of Chula Vista's sphere of influence. The underlying premise to this practice is to assign deference to the Chula Vista as the ultimate future service provider for Bonita when infrastructure and other timing issues materialize.

CONCLUSION |
MERITS OF A SPHERE OF INFLUENCE AMENDMENT

Staff believes an amendment to add the affected territory to County SD's sphere of influence is not warranted to accommodate the change of organization based on local conditions – specifically the balance of the land's existing inclusion within Chula Vista's sphere. Foregoing a sphere amendment serves to reaffirm the Commission's interest in recognizing and prioritizing the City as the ultimate and comprehensive service provider for the affected territory and provides consistency across the entire subject parcel.

[7] The statutory threshold is further prefaced on the Legislature defining spheres of influence to demark the appropriate current and future boundary and service area of the subject agency as determined by the Commission.

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.[8] Applicable local policies prompted for consideration are headlined by L-107 and attention to disclosing and/or addressing any known or perceived jurisdictional disputes.

An analysis of these two related timing factors follows.

- 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 annexation of the affected territory to County SD would represent a modest and orderly expansion of the agency and its wastewater function – marked by accommodating a planned and known development. Proceeding with the annexation to County SD parallels the expressed interest of the landowner as the initiating party and similarly responds to the County conditioning the issuance of a Major Use Permit on the landowner providing confirmation of annexation to the County SD. These factors help quantify the need and timing of the proposed change of organization.

  - With respect to **service availability and capacities**, County SD has available and sufficient wastewater capacities to accommodate the projected service demands in the affected territory based on its planned and anticipated use. An existing County SD sewer line is located west of the site along Quarry Road and accessible via a 20–50-foot connection. It is projected the average day wastewater flow generated within the affected territory post-annexation is a maximum of 750 gallons with the development of a maximum of 3 equivalent dwelling units. This projected amount can be readily accommodated by County SD and represents 0.004% of its available capacity remaining within its sewer system.[9]

[8] 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).

[9] County SD's existing average day wastewater flow is 6.0 million gallons, which equals 31.6% of the overall capacity at the City of San Diego Point Loma Wastewater Treatment Facility.

- With respect to **related financial considerations**, County SD 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 show the County SD having established high liquidity (short-time financial standing) and capital (long-term financial standing) levels. This is further reflected in the District's ending current ratio of 41.6 to 1 (i.e., $41.60 in current assets for every $1.00 in current liabilities) and debt ratio of 1.24% (i.e., $1.24 out of every $100.00 in net assets financed) for Fiscal Year 2023-2024.

  In addition to demonstrating overall financial capacity, the Commission's review also considers the specific connection and service charges that would apply to the subject territory. Establishing wastewater service is premised on the landowner paying connection fees totaling $2,148.40 to County SD. Ongoing service will be subject to annual service charges collected through the County tax roll beginning in FY2026-2027. These charges are estimated at $731.26 for FY 2025-26 (pro-rated depending on month of application submission) and $708.34 for FY 2026-27.

- 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.[10] No jurisdictional disputes have been disclosed by County SD through the administrative review with LAFCO. Similarly, LAFCO staff 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 to annex the affected territory to the County SD and its wastewater function appears sufficiently warranted. Justification is demonstrated by the preceding analysis and highlighted by the opportunity to utilize existing public infrastructure to make wastewater services available for a planned self-storage facility development. Notwithstanding this conclusionary statement, staff acknowledges the tension between utilizing residentially designated land for non-residential purposes and the Commission's legislative mandate to prioritize housing development whenever possible. While the orderliness of the proposal is therefore subject to some debate, the Commission defers to the County of San Diego in exercising its discretionary judgment to approve the underlying development project through the major use permit process. Additional analysis is provided in Appendix A.

[10] The Executive Officer retains discretion to determine the extent of consultation needed.

Potential 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. It is separately confirmed the annexation of the affected territory as now proposed would not generate any corridors and/or otherwise illogical jurisdictional features for the subject agency.

CONCLUSION |
MERITS OF 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

San Diego LAFCO has confirmed the County of San Diego has adopted a master agreement applicable to govern the tax exchange for the proposed change of organization.[11] The master agreement specifies no transfer of property taxes would occur following the annexation of the affected territory to County SD given the underlying service – wastewater – is not presently provided.

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. Accordingly, the Commission is tasked with making findings under CEQA in consideration of the proposed change of organization. Staff analysis follows.

- The County of San Diego serves as the lead agency for assessing potential impacts of the proposed annexation under CEQA as part of its discretion to approve the underlying development project. An Initial Study was prepared and considered for this project pursuant to the provisions of CEQA. In its role as lead agency, on December 6, 2024, the County certified the Initial Study and Mitigated Negative Declaration,which was subsequently appealed.[12] On April 9, 2025, following resolution of the appeal, the County adopted a final Notice of Determination (NOD) and in doing so made findings

[11] 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 involving an annexation and/or detachment 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.

[12] The Sweetwater Community Planning Group filed an appeal of the county's Planning Commission December 6, 2024 approval, arguing the project failed to prioritize the neighborhood character, misalignment with community plan's guidelines, and impact on existing open space areas. The Board of Supervisors voted unanimously against the appeal on April 9, 2025.

that the project will not have a significant effect on the environment. This included conditioning the project on mitigation measures outlined as part of an adopted Mitigation and Monitoring plan. Staff independently believes the County has prepared sufficient documentation as lead agency in assessing and mitigating potential impacts and it would be appropriate for the Commission to adopt parallel findings as responsible agency.

Protest Proceedings

Protest proceedings for the proposed change of organization may be waived by LAFCO should the Commission proceed with approval under Government Code Section 56662. The waiver appropriately applies under this statute given all of the following: the affected territory is uninhabited as defined under LAFCO law, the subject agency has not filed an objection to the waiver, and the landowner has provided written consent.[13]

RECOMMENDATION

Staff recommends conditional approval of the change of organization proposal as submitted along with other related findings as detailed. 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 as submitted and without a sphere of influence amendment. Adoption of the draft resolution as presented would also include waiving protest proceedings and CEQA findings, as detailed.

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.

[13] LAFCO law defines uninhabited as territory in which less than 11 registered voters reside.

PROCEDURES FOR CONSIDERATION

This item has been placed on the agenda for action as part of San Diego LAFCO's business calendar. The following procedures are suggested in the consideration of this item:

1) Receive verbal report from staff unless waived.
2) Discuss item and consider recommendation.

On behalf of the Executive Officer,



Meghan Traynor
Analyst I

Appendix:

A) Analysis Proposal Review Factors

Attachments:

1) Vicinity Map of the Affected Territory
2) Draft Resolution of Approval
3) Application Materials

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 10.7-acre unincorporated parcel in the community of Bonita. The subject parcel is currently undeveloped and located at 5780 Quarry Road and identified by the County of San Diego Assessor's Office as APN 586-050-62 with a current assessed *land* value of $4,161,600 and the last transaction recorded in December 2021.

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 a primary purveyor of general governmental services to the affected territory. These governmental services include community planning, roads, drainage, and law enforcement. Other pertinent service providers include South Bay Water (domestic water) and Bonita-Sunnyside Fire Protection District (fire protection and emergency medical services). This proposal affects only wastewater and is the focus of the succeeding analysis.

- **Extending Public Wastewater to Affected Territory**
  The affected territory is undeveloped with no active wastewater system. Connection to County SD's wastewater infrastructure can be achieved through connection to an existing County SD public sewer line located west of the site along Quarry Road. The projected average daily wastewater flow for the affected territory post change of organization is 750 gallons. The projected amount can be readily accommodated by County SD and represents 0.004% of their available wastewater treatment 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.

Approval of the change of organization proposal and annexation to San Diego County SD would explicitly establish economic and social ties between the District and the affected territory. These ties implicitly exist already given the affected territory's ability to develop to the maximum intensity allowed by the County of San Diego is substantively dependent on establishing wastewater service with San Diego County SD.

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 annexation to County SD would facilitate the establishment of public wastewater services for the planned development of a 132,425 square foot self-storge facility, 1,000 square foot leasing office, along with other planned improvements consistent with current zoning regulations and issuance of a Major Use Permit. Similarly, approval would be consistent with the Commission's adopted policies to sync urban uses with urban services. The affected territory does not contain "open space" as defined under LAFCO law and no conflicts exists 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 land 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 change of organization proposal would not adversely affect the physical or economic integrity 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 final 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 provide wastewater services to accommodate the planned construction of a self-storge facility and leasing office along with other planned improvements consistent with an conditionally approved Major Use Permit. 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.

The affected unincorporated territory is presently designated for Village Residential use under the adopted land use policies of the County of San Diego. The affected territory is zoned as Rural Residential (Rr-0.5), which prescribes a minimum parcel size of 0.5 acres. Self-storage facilities are permitted within the RR Use Regulation subject to approval of an MUP under the County's Zoning Ordinance Section 6909, which regulates mini warehouses as part of Miscellaneous Use Regulations. The planned commercial uses are consistent with the proposal's purpose to provide public wastewater to the affected territory.

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

See Page 5 of 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 September 26, 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 County SD has 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.

- County SD's last audit covers 2023-2024 and shows the County finished with high liquidity levels with an agency-wide current ratio of 41.6 (i.e., $41.60 in current assets for every $1.00 in current liabilities).
- County SD finished 2023-2024 with low capital levels and marked by a low debt ratio of 1.24% (i.e., $1.24 out of every $100.00 in net assets are financed).
- County SD finished 2023-2024 with an overall total margin of 1.5%.

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

The affected territory already lies within South Bay Water's jurisdictional boundary, and as such is eligible to proceed with a connection to the potable water system at any time. Similarly, the affected territory lies within the two regional wholesale providers boundaries: San Diego County Water Authority and Metropolitan Water District of Southern California.

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 and integrated public safety 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 16th percentile. Two pollution burden indicators exceed the 50th percentile and considered noteworthy and otherwise high: Air Quality (Diesel PM) and Impaired Water.

- The affected territory's **composite susceptible population** ranking falls in the 11th percentile. None of the indicators exceed the 50th percentile threshold used in this report to identify high impairments.

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

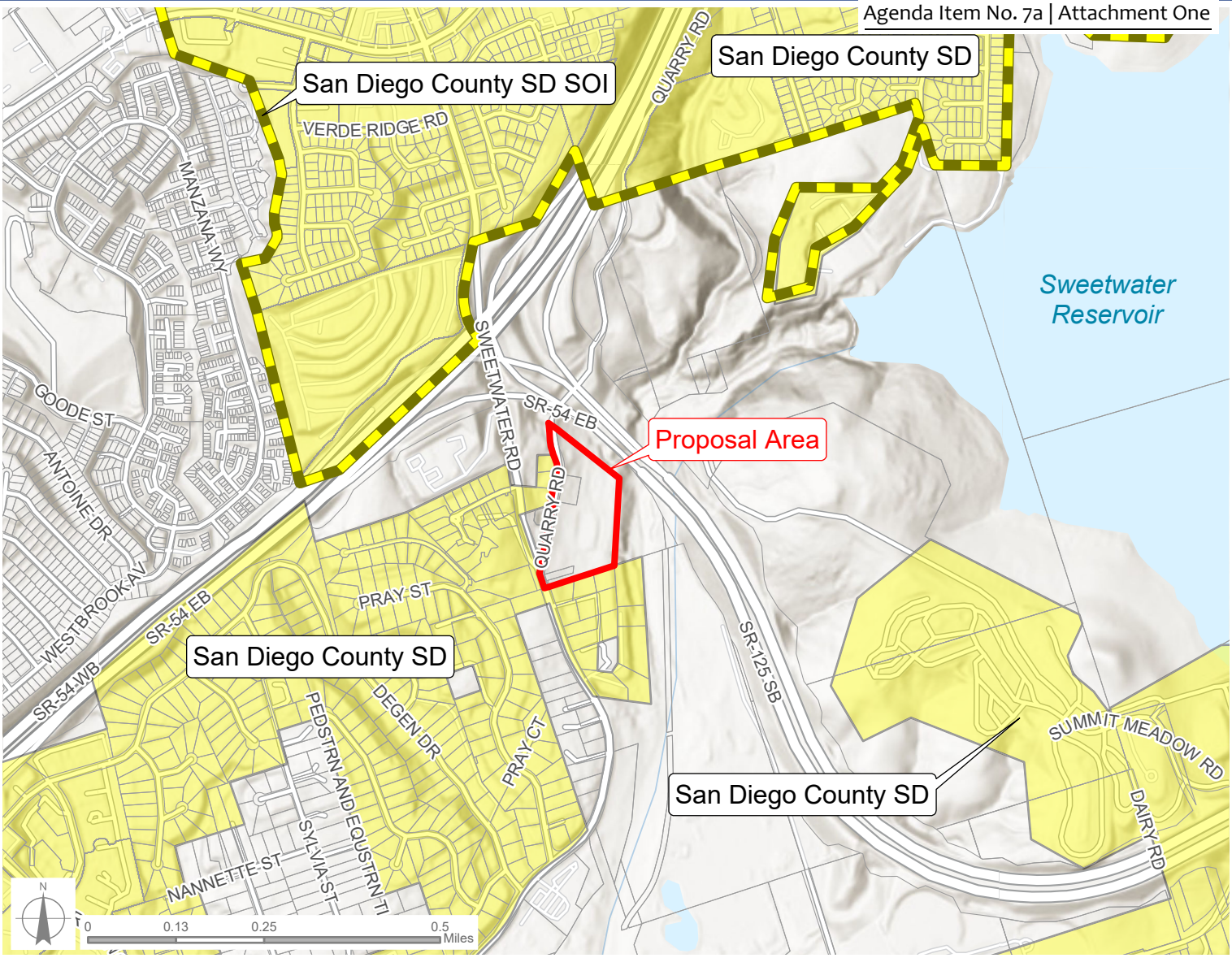
Census Tract No. 6073017066 Pollution Burdens and Susceptible Population (Source: California Environmental Protection Agency and SD LAFCO)	
	Affected Territory + Surrounding Lands
Census Tract No.	6073013410
Estimated Population	7,827
Pollution Burden	Weighted Percentile
… Percentile	16.55
Indicator | Air Quality: Ozone	40.05
Indicator | Air Quality: PM 2.5:	**52.21**
Indicator | Air Quality: Diesel PM:	13.55
Indicator |Pesticides:	0.00
Indicator | Toxic Releases:	45.54
Indicator |Traffic:	29.26
Indicator | Drinking Water Contaminants:	49.38
Indicator | Lead in Housing:	10.80
Effects | Cleanup Sites:	0.00
Effects | Groundwater Threats:	0.00
Effects | Hazardous Waste:	29.24
Effects | Impaired Water:	**77.30**
Effects | Solid Waste:	35.72
Sensitive Population	Weighted Percentile
… Percentile	11.52
Population | Asthma:	8.24
Population | Low Birth Weight:	38.18
Population | Cardiovascular Disease:	6.37
Population | Education:	28.08
Population | Linguistic Isolation:	N/A
Population | Poverty:	22.47
Population | Unemployment:	46.99
Population | Housing Burden:	19.81

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.

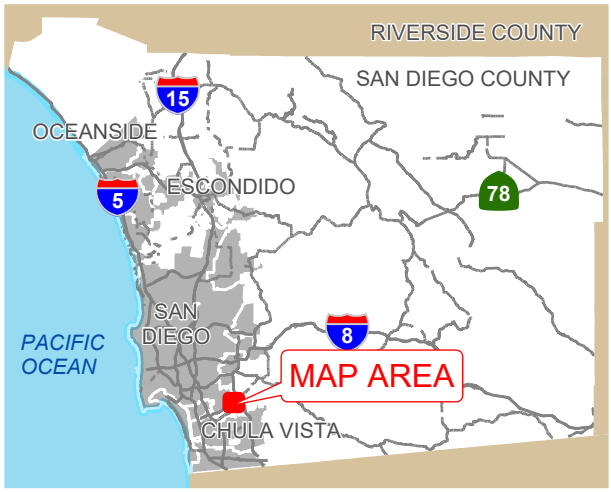
The County of San Diego General Plan includes a hazard mitigation plan addressing risks and ways to mitigate damage by human and natural-caused disasters, including wildfire, flooding, and seismic activity. The affected territory is designated a "Very High" fire hazard severity zone and a "Low" earthquake hazard zone. This project is in compliance with the fire code requirements of the County of San Diego and Bonita-Sunnyside Fire Protection District as outlined in the CEQA Initial Study for this project.

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 within the territory proposed to be annex to the district.

Approval of the change of organization would be in the best interest of the current/future landowners and visitors of the affected territory by providing access to reliable public wastewater service going forward.







CO24-14 "BROWN - QUARRY ROAD LLC CHANGE OF ORGANIZATION" | ANNEXATION TO SAN DIEGO COUNTY SANITATION DISTRICT

- Proposal Area
- San Diego County SD SOI
- San Diego County SD

SOI = Sphere of Influence

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.

G:\GIS\Vicinity_Maps\agendamaps2024\24-14 Quarry Road SDC SD.aprx

Created by Dieu Ngu -- 11/12/2024

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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A CHANGE OF ORGANIZATION

"BROWN – QUARRY RD. LLC CHANGE OF ORGANIZATION"
ANNEXATION TO THE SAN DIEGO COUNTY SANITATION DISTRICT
AND RELATED ACTIONS (LAFCO FILE NO: CO24-14)

WHEREAS, on November 4, 2024, interested landowner – Charles Brown – filed a 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 before the Commission seeks approval of a change of organization of approximately 10.7 acres of unincorporated territory in the County of San Diego involving annexation to the San Diego County Sanitation District; and

WHEREAS, the affected territory as submitted comprises one vacant and undeveloped parcel identified by the County of San Diego's Assessor's Office as 586-050-62 with an assigned situs of 5780 Quarry Road in Bonita; and

WHEREAS, on December 14, 1982, the County of San Diego 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 the San Diego County Sanitation District; 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 October 6, 2025;

WHEREAS, the Commission considered all the factors required by law under Government Code Section 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 makes the following findings:

   - The County of San Diego serves as the lead agency for assessing potential impacts of the proposed extension of out-of-agency wastewater services under CEQA as part of its discretion to approve the underlying development project. An Initial Study was prepared and considered for this project pursuant to the provisions of CEQA. In its role as lead agency, on December 6, 2024, the County certified the Initial Study and Mitigated Negative Declaration, which was subsequently appealed. On April 9, 2025, following resolution of the appeal, the County adopted a final Notice of Determination (NOD) and in doing so made findings that the project will not have a significant effect on the environment. This included conditioning the project on mitigation measures outlined as part of an adopted Mitigation and Monitoring plan. The Commission finds the County has prepared sufficient documentation as lead agency in assessing and mitigating potential impacts and adopts parallel findings as responsible agency.

4. The Commission CONDITIONALLY APPROVES the change of organization without modifications subject to conditions as provided and subject to recordation of a certificate of completion for the proposal. Approval involves all the following:

   a) Annexation of the affected territory to the San Diego County Sanitation District as shown in "Exhibit A-1" and described in "Exhibit A-2".

5. The Commission CONDITIONS all approvals on the following terms being satisfied by October 6, 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:

      - A check made payable to LAFCO in the amount of $50.00 for the County of San Diego-Clerk Recorder to reimburse for filing one CEQA Notice of Exemption consistent with the findings in the resolution.

      - A check made payable to the State Board of Equalization for processing fees in the amount of $500.00.

6. The Commission assigns the proposal the following short-term designation:
   "Brown – Quarry Rd. LLC Change of Organization".

7. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.

8. The Commission waives conducting authority proceedings under Government Code Section 56662.

9. The San Diego County Sanitation District is a registered-voter district.

10. The San Diego County Sanitation District utilizes the County of San Diego assessment roll.

11. The affected territory will be liable for any existing bonds, contracts, and/or obligations of the San Diego County Sanitation District as provided under Government Section 57328, and will be subject to any previously authorized taxes, benefit assessments, fees or charges of the San Diego County Sanitation District as provided under Government Code Section 57330.

12. The effective date of 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.

13. 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, irregulates, or omissions.

14. The Executive Officer is hereby authorized and directed to transmit copies of this resolution as provided in Sections 56880-56882 of the Government Code.

15. 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 October 6, 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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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 Charles Brown, Authorized Signatory for 5780 QUARRY RD LLC	586-050-36, -44, -48	10/3/2024	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

"BROWN—QUARRY ROAD LLC CHANGE OF ORGANIZATION"
ANNEXATION TO THE SAN DIEGO COUNTY SANITATION DISTRICT
LAFCO REFERENCE NO. CO24-14

GEOGRAPHIC DESCRIPTION

THAT PORTION OF LAND LOCATED IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

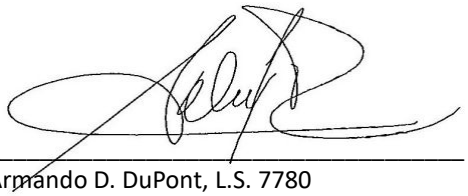
COMMENCING AT THE MOST NORTHERLY CORNER OF THAT CERTAIN BOUNDARY SHOWN ON RECORD OF SURVEY 24694 RECORDED AS FILE NUMBER 2023-7000054 ON FEBRUARY 9, 2023;

THENCE ALONG THE NORTHERLY LINE OF SAID PROPERTY SOUTH 51°57'57" EAST, 75.91 FEET TO THE **TRUE POINT OF BEGINNING**;

1) THENCE SOUTH 51°57'57" EAST ALONG THE BOUNDARY LINE OF SAID RECORD OF SURVEY 24694, 585.37 FEET;
2) THENCE SOUTH 02°34'43" WEST, 658.51 FEET TO A POINT ON THE SOUTHERLY LINE OF QUARTER SECTION 24;
3) THENCE ALONG SAID SOUTHERLY LINE OF QUARTER SECTION 24, SOUTH 72°12'26" WEST, 550.88 FEET TO A POINT ON THE CENTER LINE OF SWEETWATER ROAD AS SHOWN ON ROAD SURVEY NO. 471;
4) THENCE ALONG THE CENTER LINE OF SWEETWATER ROAD, NORTH 18°36'26" WEST, 125.44 FEET;
5) THENCE LEAVING SAID CENTER LINE, NORTH 09°40'06" EAST, 483.87 FEET;
6) THENCE NORTH 09°39'41" EAST 169.93 FEET;
7) THENCE NORTH 18°40'23" EAST, 104.50 FEET TO THE BEGINNING OF A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 100.00 FEET;
8) THENCE NORTHWESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 39°59'55" AN ARC DISTANCE OF 69.81 FEET;
9) THENCE NORTH 21°19'32" WEST, 62.90 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 420.00 FEET;
10) THENCE NORTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 5°58'26" AN ARC DISTANCE OF 43.79 FEET THE INTERSECTION WITH THE BOUNDARY LINE OF OTAY WATER ANNEXATION AS DESCRIBED ON DOCUMENT NO. 2015-0040905, OFFICIAL RECORDS OF SAN DIEGO COUNTY;
11) THENCE NORTH 51°47'17" WEST ALONG THE BOUNDARY LINE OF SAID OTAY WATER ANNEXATION, 18.41 FEET;
12) THENCE NORTH 69°48'25" WEST, 28.46 FEET;
13) THENCE NORTH 00°28'17" WEST, 106.29 FEET;
14) THENCE NORTH 09°46'11" WEST, 71.89 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING 10.74 ACRES OF LAND MORE OR LESS.

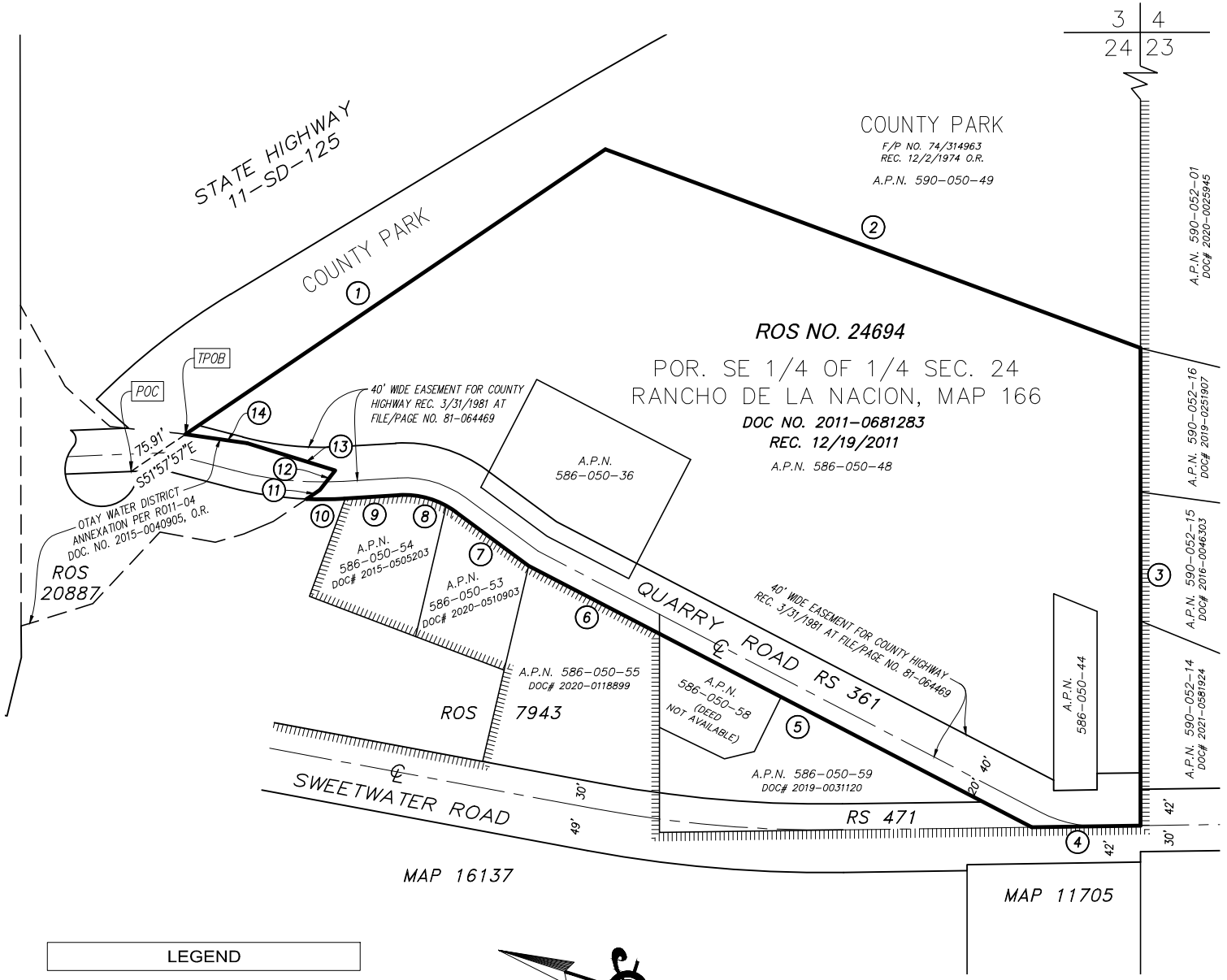
Prepared under my supervision:

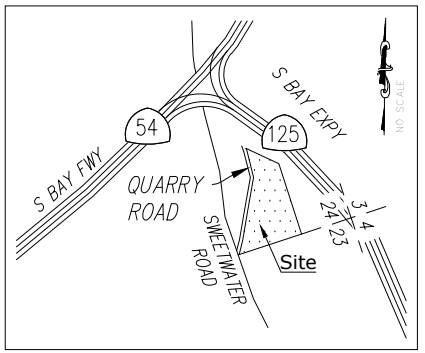


Armando D. DuPont, L.S. 7780



FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF LAND DESCRIBED.





LOCATION MAP
NOT TO SCALE

COURSE TABLE			
COURSE #	DIRECTION / DELTA	RADIUS	LENGTH
1	SOUTH 51°57'57" EAST		585.37'
2	SOUTH 02°34'43" WEST		658.51'
3	SOUTH 72°12'26" WEST		550.88'
4	NORTH 18°36'26" WEST		125.44'
5	NORTH 09°40'06" EAST		483.87'
6	NORTH 09°39'41" EAST		169.93'
7	NORTH 18°40'23" EAST		104.50'
8	39°59'55"	100.00'	69.81'
9	NORTH 21°19'32" WEST		62.90'
10	5°58'26"	420.00'	43.79'
11	NORTH 51°47'17" WEST		18.41'
12	NORTH 69°48'25" WEST		28.46'
13	NORTH 00°28'17" WEST		106.29'
14	NORTH 09°46'11" WEST		71.89'

LEGEND

APN	ASSESSOR'S PARCEL NUMBER
℄	CENTERLINE
POC	POINT OF COMMENCMENT
TPOB	TRUE POINT OF BEGINNING
——— – ———	CENTERLINE
———	INTERIOR LOT LINE
———	RIGHT-OF-WAY
|||||||||||	EXISTING SAN DIEGO COUNTY SANITATION DISTRICT BOUNDARY
———	PROPOSED SAN DIEGO COUNTY SANITATION DISTRICT BOUNDARY

CAL VADA SURVEYING, INC.

GRAPHIC SCALE

180' 0' 90' 180'

1" = 180'

FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF LAND DESCRIBED.

ASSESSOR'S PARCEL NUMBERS:	LAFCO RESOLUTION NO.	ACREAGE:	DATE:	SCALE:
586-050-36, 586-050-44 & 586-050-48	CO24-14	10.740 AC.	07/31/2025	1"=180'

"BROWN--QUARRY ROAD LLC CHANGE OF ORGANIZATION"

ANNEXATION TO THE SAN DIEGO COUNTY SANITATION DISTRICT

LAFCO REFERENCE NO. CO24-14

CAL VADA SURVEYING, INC.
411 Jenks Cir., Suite 205, Corona, CA 92880
Phone: 951-280-9960 Fax: 951-280-9746
Toll Free: 800-CALVADA www.calvada.com
EST. 1989 JOB NO. 25603

The County of San Diego

Planning Commission Hearing Report

Date:	December 6, 2024	**Case/File No.:**	Secure Space Self-Storage Bonita (Quarry Storage) MUP; PDS2021-MUP-21-009; PDS2022-CC-22-0102; PDS2021-ER-21-18-003
Place:	County Conference Center 5520 Overland Avenue San Diego, CA 92123	**Project:**	Major Use Permit and Certificate of Compliance
Time:	9:00 a.m.	**Location:**	5780 Quarry Road, Bonita, CA 91902
Agenda Item:	#2	**General Plan:**	Village Residential (VR-2)
Appeal Status:	Appealable to the Board of Supervisors	**Zoning:**	Rural Residential (RR)
Applicant/Owner:	Charles Brown, 5780 Quarry Road LLC	**Community:**	Sweetwater Community Plan Area
Environmental:	Mitigated Negative Declaration	**APNs:**	586-050-48, 36, 44

A. OVERVIEW

The purpose of this report is to provide the Planning Commission with the information necessary to consider the proposed Major Use Permit (MUP), Certificate of Compliance (CC), and environmental findings prepared in accordance with the California Environmental Quality Act (CEQA).

The Secure Space Self-Storage Bonita (Quarry Storage) MUP (Project) includes a request for the construction of a self-storage facility and covered recreational vehicle (RV) parking spaces on 4.99 acres of an approximately 10.74-acre project site comprised of three parcels (APNs 586-050-48, 36, 44). The proposed self-storage facility consists of approximately 1,023 self-storage units within a two-story building with a basement totaling 132,425 square feet of floor space, an approximately 1,000-square foot office building, 109 covered recreational vehicle (RV) parking spaces (totaling 56,448 square feet), and 21 standard passenger vehicle parking spaces for customers and employees. It also includes road improvements, grading, a trail and pathway, and a CC to merge parcels.

The sections contained in this report describe the following: development proposal, analysis and discussion, community planning group and public input, CEQA compliance, and the Planning & Development Services (PDS) recommendation. PDS analyzed the Project for consistency with the General Plan, Zoning Ordinance, and other applicable regulations, policies and ordinances. Specifically, when processing an MUP, Section 7358 of the County Zoning Ordinance requires that Findings be made for a project's compatibility with surrounding land uses. This includes the bulk and scale of a project, the

availability of adequate facilities, the suitability of the site, the generation of traffic, and any potential harmful effect on the desired neighborhood character.

PDS found the project to be compatible with the surrounding land uses (as detailed in this report) and found the Project to be consistent with all applicable regulations, policies and ordinances with the inclusion of conditions in the Project Forms of Decision (Attachments B and C). The Planning Commission is asked to consider the Project and either approve the Project as submitted, approve the Project with modifications, or deny the Project. Based on the analysis of the Project, staff finds that the required compatibility findings can be made, the Project will have no harmful impact on the neighborhood, and staff can recommend approval of the Project.

B. REQUESTED ACTIONS

This is a request for the Planning Commission to evaluate the Project for a self-storage facility, determine if the required findings can be made and, if so, take the following actions:

1. Adopt the Environmental Findings which includes the adoption of a Mitigated Negative Declaration (MND) (Attachment E).

2. Grant PDS2021-MUP-21-009 and PDS2022-CC-22-0102, make the findings, and include the requirements and conditions as set forth in the Forms of Decision (Attachments B and C).

C. REGIONAL SETTING AND PROJECT LOCATION

The Project site is located within the Sweetwater Community Planning Area on an approximately 10.74-acre site (Figure 1 and Figure 2). The Project site is directly east of the intersection of Sweetwater Road and Quarry Road. The site is currently vacant and undeveloped. The SR-125 freeway is located to the north and east of the site. Four single-family residences are located west of the Project site across Quarry Road, and three single-family residences and a horse stable facility abut the Project's southern property boundary. Open space, Sweetwater County Park, and the Sweetwater Reservoir are located east of the Project site, across SR-125. The Bonita Golf Course is located southeast of the project site. Access to the site would be from Quarry Road, a public road.

SAN DIEGO COUNTY CLERK
CEQA FILING COVER SHEET

FILED
Apr 09, 2025 01:13 PM
JORDAN Z. MARKS
SAN DIEGO COUNTY CLERK
File # 2025-000278
State Receipt # 37040920250249
Document # 252-NOD-36

THIS SPACE FOR CLERK'S USE ONLY

Complete and attach this form to each CEQA Notice filed with the County Clerk

TYPE OR PRINT CLEARLY

Project Title

SECURE SPACE SELF-STORAGE BONITA (QUARRY STORAGE) APPEAL; PDS2021-MUP-21-009; PDS2022-CC-22-0102; PDS2024-AA-24-003

Check Document being Filed:

- ○ Environmental Impact Report (EIR)
- ◉ Mitigated Negative Declaration (MND) or Negative Declaration (ND)
- ○ Notice of Exemption (NOE)
- ○ Other (Please fill in type):

FILED IN THE OFFICE OF THE SAN DIEGO COUNTY CLERK ON April 9, 2025

Posted April 9, 2025 **Removed** _____

Returned to agency on _____

DEPUTY _____

Filing fees are due at the time a Notice of Determination/Exemption is filed with our office.For more information on filing fees and No Effect Determinations, please refer to California Code of Regulations, Title 14, section 753.5.

NOTICE OF DETERMINATION

TO: ☒ Recorder/County Clerk
Attn: James Scott
1600 Pacific Highway, M.S. A33
San Diego, CA 92101

☐ Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812

FROM: County of San Diego
Planning & Development Services, M.S. O650
Attn: Project Planning Section Secretary
5510 Overland Avenue, Suite 110
San Diego, CA 92123

SUBJECT: **FILING OF NOTICE OF DETERMINATION IN COMPLIANCE WITH PUBLIC RESOURCES CODE SECTION 21108 OR 21152**

Project Name and Number:	Secure Space Self-Storage Bonita (Quarry Storage) Appeal; PDS2021-MUP-21-009; PDS2022-CC-22-0102; PDS2024-AA-24-003
State Clearinghouse No.:	2024080027
Project Location:	5780 Quarry Road, Bonita, CA 91902, (APNs: 586-050-48, 36, 44)
Project Applicant:	Charles Brown, 5780 Quarry Road LLC; 19191 South Vermont Avenue Suite 680, Torrance, CA 90502; (704) 430-7037
Project Description:	This project is an appeal to the Board of Supervisors regarding the Planning Commission approval of the Secure Space Self-Storage project (Project). The Project consists of a Major Use Permit (MUP) to develop a 4.99-acre self-storage facility consisting of approximately 1,023 units and 132,425 square feet on the approximately 10.74-acre project site (the "project site"). The project site has a General Plan designation of VR-2 (Village Residential 2) is zoned Rural Residential (RR), which allows the use upon issuance of a MUP pursuant to Section 2185.c and 6909 of the Zoning Ordinance. The area of disturbance on-site is approximately 8.79 acres and would include the proposed graded parking lot, recreational vehicle (RV) parking area, storage facility, fuel management zone, limited building zone, community trails, multi-use pathway, and frontage improvements. Off-site grading would impact an additional 0.24 acre for the grading and realignment of a portion of Quarry Road and neighboring driveway, for a total area of disturbance of 9.03 acres. A Certificate of Compliance is also proposed to merge three parcels together. Grading consists of approximately 30,275 cubic yards (CY) of cut and 22,535 CY yard of fill. Approximately 7,740 CY of material would require export. The project is located at 5780 Quarry Road in the Sweetwater Community Planning Area in unincorporated San Diego County.

Agency Approving Project: County of San Diego

County Contact Person:	Bianca Lorenzana; (619) 510-2146
Date Form Completed:	April 9, 2025

This is to advise that the County of San Diego Board of Supervisors has denied the appeal and upheld the Planning Commission approval of the above-described project on April 9, 2025 (Item #4) and has made the following determinations:

1. The project ☐ will ☒ will not have a significant effect on the environment.
2. ☐ An Environmental Impact Report was prepared and certified for this project pursuant to the provisions of the CEQA.
   ☒ A Negative Declaration or Mitigated Negative Declaration was adopted for this project pursuant to the provisions of the CEQA.
   ☐ An Addendum to a previously certified Environmental Impact Report, or to a previously adopted Negative Declaration or Mitigated Negative Declaration, was prepared and considered for this project pursuant to the provisions of CEQA.
3. Mitigation measures ☒ were ☐were not made a condition of the approval of the project.
4. A Mitigation reporting or monitoring plan ☒ was ☐ was not adopted for this project.

The following determinations are only required for projects with Environmental Impact Reports:
5. A Statement of Overriding Considerations ☐ was ☐ was not adopted for this project.
6. Findings ☐ were ☐were not made pursuant to the provisions of State CEQA Guidelines Section 15091.

Project status under Fish and Wildlife Code Section 711.4 (Department of Fish and Wildlife Fees):
☐ Certificate of Fee Exemption (attached)
☒ Proof of Payment of Fees (attached)

Signature: _____ Telephone: (619) 510-2146

Name (Print): Bianca Lorenzana Title: Land Use/Environmental Planner

This notice must be filed with the Recorder/County Clerk within five working days after project approval by the decision-making body. The Recorder/County Clerk must post this notice within 24 hours of receipt and for a period of not less than 30 days. At the termination of the posting period, the Recorder/County Clerk must return this notice to the Department address listed above along with evidence of the posting period. The originating Department must then retain the returned notice for a period of not less than twelve months. Reference: CEQA Guidelines Section 15075 or 15094.

State of California - Department of Fish and Wildlife

2025 ENVIRONMENTAL DOCUMENT FILING FEE CASH RECEIPT

DFW 753.5a (Rev. 01/01/25) Previously DFG 753 5a

RECEIPT NUMBER	
37-04/09/2025-0249	
STATE CLEARING HOUSE NUMBER (*If applicable*)	
2024080027	

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY	LEAD AGENCY EMAIL	DATE
COUNTY OF SAN DIEGO PLANNING & DEVELOPMENT SERVICES		04/09/2025

COUNTY/STATE AGENCY OF FILING	DOCUMENT NUMBER
SAN DIEGO	252-NOD-0036

PROJECT TITLE
SECURE SPACE SELF-STORAGE BONITA (QUARRY STORAGE) APPEAL; PDS2021-MUP-21-009; PDS2022-CC-22-0102; PDS2024-AA-24-003

PROJECT APPLICANT NAME	PROJECT APPLICANT EMAIL		PHONE NUMBER
CHARLES BROWN, 5780 QUARRY ROAD LLC			704-430-7037
PROJECT APPLICANT ADDRESS	**CITY**	**STATE**	**ZIP CODE**
19191 SOUTH VERMONT AVENUE SUITE 680	TORRANCE	CA	90502

PROJECT APPLICANT (*Check appropriate box*)

☐ Local Public Agency ☐ School District ☐ Other Special District ☐ State Agency ☒ Private Entity

CHECK APPLICABLE FEES:

☐ Environmental Impact Report (EIR)	$4,123 50	$	0 00
☒ Mitigated/Negative Declaration (MND)/(ND)	$2,968 75	$	0 00
☐ Certified Regulatory Program (CRP) document - payment due directly to CDFW	$1,401 75	$	0 00

☐ Exempt from fee
- ☐ Notice of Exemption (attach)
- ☐ CDFW No Effect Determination (attach)

☒ Fee previously paid (attach previously issued cash receipt copy)

☐ Water Right Application or Petition Fee (State Water Resources Control Board only)	$850.00	$	0 00
☒ County documentary handling fee		$	50 00
☐ Other		$	0 00

PAYMENT METHOD:

☒ Cash ☐ Credit ☐ Check ☒ Other **TOTAL RECEIVED** $ 50 00

SIGNATURE	AGENCY OF FILING PRINTED NAME AND TITLE
X [signature]	San Diego County Clerk, AIMEE SALOMON, Deputy

Payment Reference #: REM: 12/09/2024 RECT: 37-12/09/2024-1011 AND DOC NUMBER 2024-NOD-0143

ORIGINAL - PROJECT APPLICANT COPY - CDFW/ASB COPY - LEAD AGENCY COPY - COUNTY CLERK DFW 753 5A (Rev 01012025)

7b

AGENDA REPORT
Business | Action

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Priscilla Mumpower, Assistant Executive Officer

SUBJECT: **Proposed Update to Rolling Five-Year Study Schedule**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider updating its five-year study schedule for municipal service reviews. The proposed update would reset the coverage period to run from Fiscal Year 2026 through Fiscal Year 2030 and generally constitutes a full roll-forward of the existing schedule. Two notable adjustments are included: removal of the now-completed Oceanside regional review and addition of several new reviews, all but one of which are placed toward the latter part of the period. Consistent with prior practice, the first two years (FY26–FY27) correspond to the municipal service reviews already authorized and funded in the adopted annual workplan, including the newly added review of the San Diego Unified Port District. The final three years (FY28–FY30) function as an advanced planning tool to signal the Commission's long-term intentions and providing local agencies and the public with notice of upcoming reviews. Staff recommends the Commission approve the proposed update, subject to any desired modifications.

BACKGROUND

Study Directive | Municipal Service Reviews and Sphere of Influence Updates

State law requires San Diego LAFCO to prepare municipal service reviews to independently assess the availability and adequacy of local services relative to community needs with the

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.ca.gov
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

Commission's policies on preparing these reviews codified as L-106 and including direction to maintain a five-year study schedule. These municipal service reviews directly inform the mandated sphere of influence updates that State law directs LAFCO to complete approximately every five years, through which the Commission actively manages local agencies' appropriate current and future boundaries and service areas.

Rolling Study Schedule + Implementation Practices

San Diego LAFCO annually reviews and resets a five-year rolling study schedule to calendar municipal service reviews and corresponding sphere of influence updates consistent with adopted policy. Approvals to reset are guided by two implementation practices as summarized below.

1. The first two years of the five-year study schedule are combined and cover all municipal service reviews separately authorized and funded by the Commission under the annual adopted workplan. The combination of the first two years provides LAFCO flexibility to pace work in line with accommodating the agencies' resources and abilities to participate in the data collection and review process.

2. Years three, four, and five of the five-year study schedule serve as telegraphing tools to the affected agencies and other interested stakeholders with respect to the Commission's expectations of initiating future municipal service reviews. Actual work on any municipal service review will not occur until the Commission formally authorizes the expenditure of LAFCO resources as part of the annual workplan.

DISCUSSION

This item is for San Diego LAFCO to consider an update to its five-year study schedule, and in doing so, reset the coverage period from FY2025–FY2029 to FY2026–FY2030 for the purpose of calendaring municipal service reviews.

- **Years One and Two** of the proposed update are consistent with the adopted workplan, covering all authorized reviews with continued emphasis on wholesale water agencies, healthcare districts, SANDAG, and the north and north-coastal communities. A principal structural adjustment is proposed for the Carlsbad-Encinitas region: Part I will include the City of Carlsbad and its subsidiary Carlsbad Municipal Water District, while Part II will focus on the City of Encinitas and its overlapping special districts (Leucadia WD, Olivenhain MWD, and San Dieguito WD). This structural approach is also applied to the Del Mar-Solana Beach and San Marcos-Vista regions. The Del Mar-Solana Beach MSR is further revised by moving the scheduled review of County Service Area 17 into a newly proposed review in FY 2030, as detailed in the proceeding section. Additionally, a review of the San Diego Unified Port District has been added consistent with the adopted workplan.

- **Years Three through Five** remain largely intact although several adjustments have been made to reset existing scheduled reviews into new groupings where merited and most prominently affect the greater East County region. The proposed update also adds five new reviews and does so based largely on feedback and related insights generated in preparing other reviews to date. The proposed new reviews are all service-specific and include the following:

    - San Diego County Wastewater JPAs
    - Countywide Recycled Water Service Providers
    - County Service Areas
    - Countywide Police Protection Services
    - Geological Hazard Abatement Districts

ANALYSIS

The proposed update to San Diego LAFCO's rolling study schedule continues the Commission's ongoing approach to local agency oversight while providing flexibility in municipal service review planning. This annual update process aligns with the adopted workplan and specific municipal service review authorizations while signaling near-term intentions to local agencies and the public. As addressed above, the proposed update represents a full roll-forward in the first two years with aligning exceptions to remove the now completed Oceanside region review and add a review of the San Diego Unified Port District. These exceptions aside, all changes in the proposed update are reflected in years three, four, and five and are marked by adding five reviews that have been flagged by the Commission and/or stakeholders as meriting attention – most notably regional wastewater authorities, recycled water providers, and police protection services. (The other two additions involve grouping together previously separated reviews of county service areas into one and addressing responsibility over geological hazard abatement districts.) The balance of the proposed update involves mostly subtle restructuring of reviews to economize resources through improvements in either regrouping agencies together as part of one review or extracting an agency for individual review. A prominent example of the latter involves Otay Water District, whose service area spans both south and east county regions.

RECOMMENDATION

It is recommended that San Diego LAFCO approve the proposed update to the five-year study schedule with any changes as specified. This recommendation is consistent with Alternative Action One below.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Approve an update to the rolling five-year study schedule.

Alternative Two:
Continue the item to the next regular meeting and provide direction to staff, as needed.

Alternative Three:
Take no action.

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO's agenda for action as part of the business calendar. The following procedures are recommended:

1) Receive verbal presentation from staff unless waived.
2) Invite comments from interested audience members if any.
3) Discuss and provide general feedback as needed.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachment:

1) Proposed Update to Five-Year Rolling Study Schedule (FY2026-2030)

Proposed Commission Rolling Study Schedule 5-YEAR PLAN

FY2026 Through FY2030

Regional Service Planning
Subdivision of the State of California



Study Directive

State law directs San Diego LAFCO to review spheres of influence for all cities and special districts and update as needed (affirm, expand, reduce, etc.) every five years and by extension mark the agencies' appropriate current and future boundaries and service areas. Pertinently, local agencies cannot annex and/or extend services outside their spheres with limited exceptions. State law also specifies San Diego LAFCO must inform the sphere updates by preparing comprehensive evaluations – titled municipal service reviews – to determine the availability and adequacy of local governmental services as well as governance responsiveness relative to community needs.

Study Schedule

San Diego LAFCO has established a five-year rolling Study Schedule to guide its statutory task to review and update as appropriate the spheres of influence of cities and special districts under the Commission's oversight. The rolling Study Schedule is premised on the Commission's policy interest to proactively calendar municipal service reviews and use these documents to determine the subsequent scope of any related sphere of influence updates for the affected agencies. The Commission also regularly draws on the municipal service reviews to inform its decision-making on boundary changes.

Rolling Study Schedule Format

The Study Schedule is a living or rolling document that the Commission resets yearly in concert with the annual budget and workplan adoptions. The rolling study schedule spans 5 fiscal years with only the first year being set. The second through fifth years are tentatively calendared, and done so to help guide and telegraph future decision-making. This approach allows the Commission the flexibility to redirect staff resources where needed should calendar studies extend beyond one year while also granting staff the ability to prioritize applicant proposals.

THE COMMISSIONERS »

2026-2027: **SET**

NORTH COUNTY FOCUS

Carlsbad + Encinitas Region

- **Part I: Carlsbad**
  - City of Carlsbad
  - Carlsbad MWD
- **Part II: Encinitas**
  - City of Encinitas
  - Leucadia WWD
  - Olivenhain MWD
  - San Dieguito WD

San Marcos + Vista Region

- **Part I: San Marcos**
  - City of San Marcos
  - Vallecitos WD
  - San Marcos FPD
  - Vista ID
- **Part II: Vista**
  - City of Vista
  - Buena SD

San Diego County Healthcare Districts

- **Part I: Macro + Part II: Micro**
  - Palomar HD
  - Tri-City HD
  - Fallbrook HD
  - Grossmont HD
  - County Partners

Council of Governments

- San Diego Association of Governments (SANDAG)

Wholesale Water Service Providers

- San Diego County Water Authority
- Metropolitan Water District of Southern California

Del Mar + Solana Beach Region

- City of Del Mar
- City of Solana Beach
- Santa Fe ID

San Diego Unified Port District

*Denotes a special district included in more than one study.

Oceanside State Beach ▶





Chula Vista is the second largest city in the San Diego metropolitan area.

2027-2028: **TENTATIVE**

SOUTHWEST COUNTY FOCUS

Rancho Santa Fe Region

- Fairbanks Ranch CSD
- Questhaven MWD
- Rancho Santa Fe CSD
- Rancho Santa Fe FPD
- Whispering Palms CSD

San Diego County Wastewater JPAs

- Encinitas JPA
- San Elijo JPA
- Metro JPA

City of San Diego

Silver Strand Cities

- City of Coronado
- City of Imperial Beach

South Coast Region

- **Part I: Cities**
  - City of Chula Vista
  - City of National City
- **Part II: Special Districts**
  - South Bay Water District
  - Sweetwater Authority
  - Bonita-Sunnyside
  - Sweetwater FPD

Transit Service Providers

- North County TD
- Metropolitan Transit Service

*Denotes a special district included in more than one study.



2028-2029: **TENTATIVE**

EAST COUNTY FOCUS

Otay WD

La Mesa - Lemon Grove Region

- City of La Mesa
- City of Lemon Grove
- Lemon Grove SD

El Cajon - Santee Region

- City of El Cajon
- City of Santee

East County Water Districts

- Lakeside WD
- Helix WD
- Padre Dam MWD

East County FPDs

- Lakeside FPD
- San Miguel Consolidated FPDs
- Alpine FPD

San Diego County Sanitation District

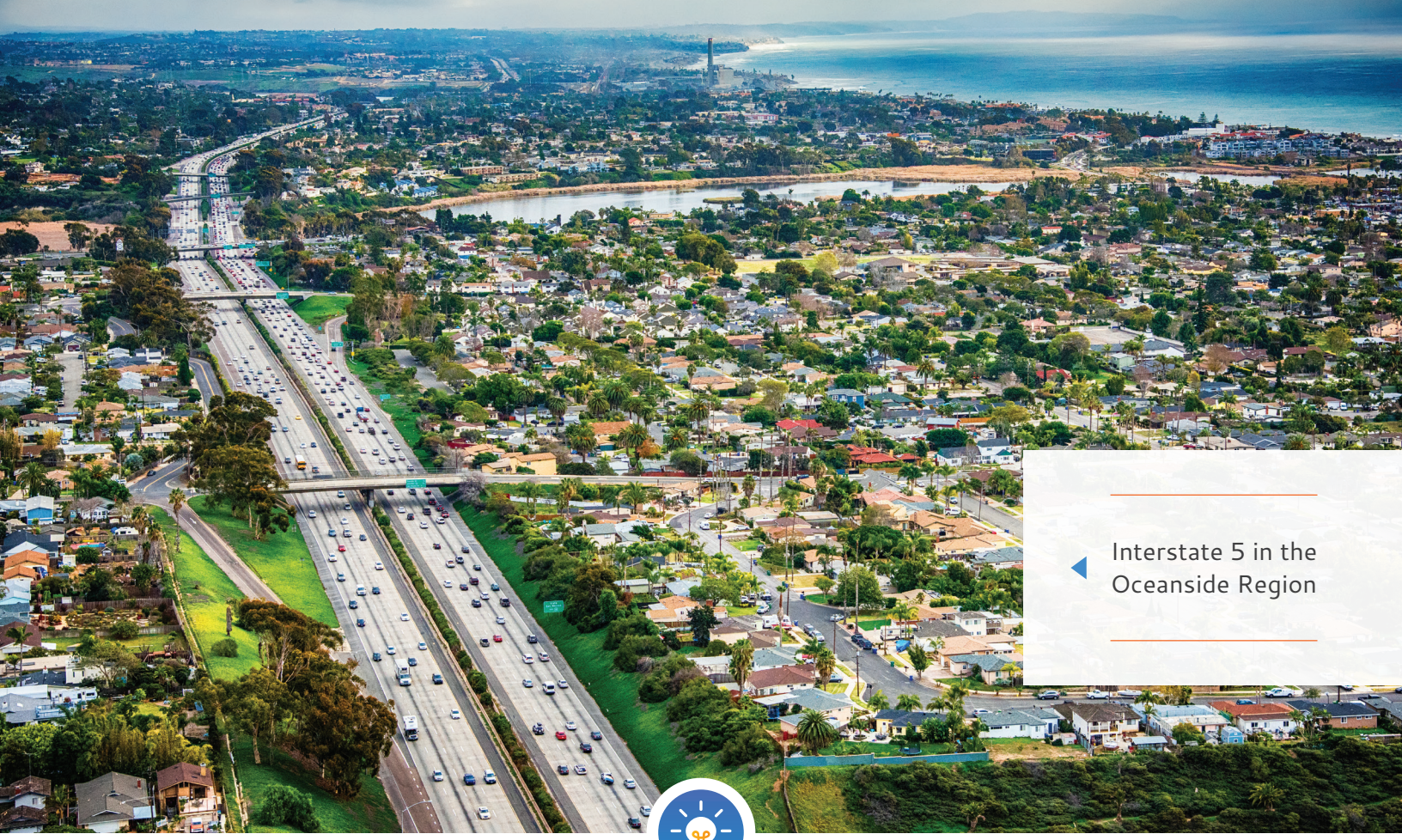
Countywide Recycled Water Services

Cemetery Districts

- North County
- Pomerado
- Ramona
- Valley Center

San Diego County Airports

*Denotes a special district included in more than one study.



Interstate 5 in the Oceanside Region

2029-2030: **TENTATIVE**

MISCELLANEOUS

Countywide Fire Protection Services (Fire, Rescue, and EMS)

County Service Areas

- CSA 17 - Ambulance, San Dieguito
- CSA 26 - Parks and Recreation, Rancho San Diego
- CSA 81 - Parks and Recreation, Fallbrook
- CSA 83 - Parks and Recreation, San Dieguito
- CSA 122 - Infrastructure Planning, Otay East
- CSA 128 - Parks and Recreation, Spring Valley
- CSA 135 - Regional Communications, Countywide
- CSA 136 - Flood Control and Drainage, Lakeside
- CSA 137 - Retail Water Services, Live Oak Springs
- CSA 138 - Parks and Recreation, Valley Center

Countywide Police Protection Services

San Diego County Flood Control District

Pauma Valley Region

- Mootami MWD
- Rincon Ranch CSD
- Pauma CSD
- San Luis Rey MWD
- Yuima MWD

Borrego Region

- Borrego WD
- Coachella Valley WD

East Laguna Summit Region

- Canebrake WD
- Descanso WD
- Jacumba CSD

Geological Hazard Abatement Districts

- Casa de Playa Geologic Hazard Abatement District
- Oceanus Geologic Hazard Abatement District



sdlafco.org

7c

AGENDA REPORT
Business | Discussion

October 6, 2025

TO: Chair Whitburn and Commissioners

FROM: Priscilla Mumpower, Assistant Executive Officer

SUBJECT: **Update on High Priority Project | Municipal Service Review on Wholesale Water Agencies in San Diego County**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive an update on LAFCO's scheduled municipal service review of wholesale water agencies in San Diego County – one of 10 high-priority projects in the approved work plan. This project includes a comprehensive review of the San Diego County Water Authority (CWA) and a proportional review of the Metropolitan Water District of Southern California (MET). The update is provided for discussion with an opportunity to provide feedback to staff with the current expectation of delivering a complete draft report as early as March 2026.

BACKGROUND

San Diego LAFCO's current fiscal year work plan includes 30 projects with assigned priorities. A scheduled municipal service review of the two wholesale water agencies operating in San Diego County has been carried over from the prior work plan and designated by the Commission as the highest priority as indicated by its placement as No. 1a. This project stems from the confluence of two factors: (a) LAFCO's directive from the Legislature to regularly perform municipal service reviews covering all cities and special districts and (b) Commission questions generated in its deliberations over two recent reorganization proposals in north county seeking detachment from CWA in favor of joining Eastern MWD in Riverside County.

Administration
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafco@sdcounty.com
www.sdlafco.org

Paloma Aguirre, County of San Diego
Joel Anderson, County of San Diego
Monica M. Steppe, Alt., County of San Diego
Kristi Becker, City of Solana Beach
Dane White, City of Escondido
John McCann, Alt., City of Chula Vista
Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Brigette Browning, General Public
Eileen Delaney, Alt., General Public

LAFCO retains discretion in determining the appropriate scope of each municipal service review and currently does so through policy delegation to the Executive Officer. Nonetheless, all municipal service reviews must meaningfully address the following statutory factors:

- Growth and Population Projections
- Present and Planned Infrastructure and Service Capacities
- Adequacy of Services Relative to Community Needs
- Financial Standing to Provide Services
- Opportunities for Shared Facilities
- Accountability of Governmental Structure and Alternatives
- Any Other Factors Required by Local Policy
    - Environmental Justice (local policy)

DISCUSSION

This item is for San Diego LAFCO to receive an update on San Diego LAFCO's highest work plan priority in 2025-2026 – a municipal service review of wholesale water service providers: CWA and MET. This project represents the first dedicated municipal service review prepared for the two wholesale water service providers with LAFCO staff being assisted by Dr. Michael Haneman with Arizona State University. The project's scope of work generally follows LAFCO's standard municipal service review format with the notable exception of extending the standard five-year timeline to 15 years.

A summary of progress and emerging themes follows.

MSR Progress + Emerging Themes

LAFCO staff, in collaboration with Dr. Hanemann, is nearing completion of the MSR. The analysis evaluates wholesale water services provided by CWA and MET, with emphasis on governance, financial standing, and service delivery performance. The review spans FY 2009–2023 and incorporates input from the subject agencies and their member agencies to capture long-term challenges and opportunities. Key areas underlying this analysis and emerging themes – specific to the CWA – follow.

Diverse Water Supply Portfolio
An assessment of CWA's role in supplying roughly 80% of regional water needs through a diverse portfolio that includes imported water (via MWD and the Quantification Settlement Agreement), Colorado River transfers, and desalinated water from Carlsbad. This assessment identified the following:

- Additions such as desalination and San Luis Rey transfers have enhanced supply resiliency, yet declining demand has left the region with surplus treatment capacity—most notably at the Twin Oaks Valley Water Treatment Plant—generating operational costs without corresponding revenues.

Decline in Water Demand + Long-Term Planning Considerations
A review of declining water demand and its intersection with local investments in potable reuse projects and conservation measures. This review found:

- Despite continued population growth, conservation and local supply projects have steadily reduced demand and are projected to further constrain wholesale deliveries.
- Between 2025 and 2030, deliveries are expected to decline by approximately 30%, and by 2035, potable reuse projects are anticipated to permanently reduce imported water sales by about 115,000 acre-feet annually.

Structural Imbalance and Reserves
An evaluation of CWA's revenue structure and reserve position. This evaluation found:

- CWA's budget is heavily weighted toward fixed costs, which account for approximately 87% of the budget, while fixed revenues represent approximately 28.5%.
- Heavy reliance on the Rate Stabilization Fund from 2019–2023 has reduced reserves to near the Board's minimum policy threshold. [1]
- The settlement agreement with MET—tying conveyance charges to inflation and authorizing resale of conserved QSA water—is expected to provide new financial flexibility.

Financial Position and Revenue Trends
An analysis of CWA's broader fiscal position and trends. This analysis showed:

- In 2023, water sales fell 30%, producing a $74 million revenue shortfall—the lowest sales volume since 1983.
- At the same time, rates have escalated sharply: untreated water increased from $520/AF to $1,579/AF while treated water increased from $684/AF to $1,929/AF from 2008 to 2023.

Governance and Representation at the CWA
An examination of CWA's Board structure and related equity considerations. This examination underscored:

- Board voting power is based on historical financial contributions.
- As purchases decline, some agencies retain disproportionate voting influence relative to their present financial participation. The City of San Diego, for example, retains approximately 42% of the voting power, raising regional equity questions, particularly with the City's Pure Water Project scheduled to begin operation as early as 2027.

Staff anticipate delivering a complete administrative draft report for CWA and MWD's internal review as early as October 2025. A complete draft for public circulation is expected to be ready as early as March 2026.

[1] The CWA has a 150-day reserve policy.

ANALYSIS

None.

RECOMMENDATION

This item is presented to San Diego LAFCO for information and feedback.

ALTERNATIVES FOR ACTION

None.

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO's agenda for information as part of the business calendar. The following procedures are recommended:

1) Receive verbal presentation from staff unless waived.
2) Invite comments from interested audience members if any.
3) Discuss and provide general feedback as needed.

Respectfully,



Priscilla Mumpower
Assistant Executive Officer