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, May 5, 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
Joel Anderson	Board of Supervisors	County of San Diego
Kristi Becker	Cities Selection Committee	City of Solana Beach
Jim Desmond	Board of Supervisors	County of San Diego
Jo MacKenzie	Independent Special Districts	Vista Irrigation
Vacant	Commission	General Public
Dane White	Cities Selection Committee	City of Escondido
Alternate Brigette Browning	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 Marni von Wilpert	Mayor of the City of San Diego	City of San Diego
Alternate – Vacant	Board of Supervisors	County 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
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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 as well as to advise of any requested changes. Any supplemental communications received will also be addressed. The Chair will also consider requests from Commissioners to rearrange any agenda items.

4. **PUBLIC COMMENT AND**
   OPPORTUNITY FOR PUBLIC TO REQUEST DISCUSSION ON CONSENT ITEMS
   Opportunity for members of the public to speak to the Commission on any subject matter within the Commission's growth management duties/interests but not on the agenda. Three-minute limit. This is also an opportunity for the public to request discussion on a consent calendar item.

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

   a) **Approval of Meeting Minutes for March 3, 2025 (action)**
   The Commission will consider action minutes prepared by the Commission Clerk for the March 3, 2025 meeting. Recommendation to approve as presented. (Pages 7-18)

   b) **Commission Ratification | Recorded Payments for February and March 2025 (action)**
   The Commission will review a report identifying all payments made and received for February and March 2025. Recommendation to ratify payments as presented. (Pages 19-30)

   c) **Budget Update for 2024-2025 | Third Quarter Actuals + Year-End Projections (action)**
   The Commission will review a report comparing budgeted and actual amounts through the third quarter of 2024-2025 and related end-year projections. No amendments are proposed. The report is presented for formal acceptance and filing. (Pages 31-38)

   d) **Progress Report on 2024-2025 Workplan (action)**
   The Commission will receive a progress report on the adopted workplan, and activities associated with the 30 special projects set for 2024-2025. Recommendation to formally receive the item. (Pages 39-50)

   e) **Proposed "Biermann-N. Ash Street Reorganization" |**
   Annexation to the City of Escondido and Related Actions (RO24-17) (action)
   The Commission will consider a reorganization proposal initiated by landowner petition with the principal action to annex 0.81 unincorporated acres to the City of Escondido. The affected territory as submitted is presently developed with a 2,100 square-foot single family residence located at 2174 North Ash Street. The reorganization also includes a concurrent detachment from CSA No. 135 as well as exclusion from Rincon del Diablo MWD's Improvement District E. Recommendation to conditionally approve the proposal as submitted, waive protest proceedings, and make exemption findings under CEQA. (Pages 51-78)

CONSENT ITEMS CONTINUED…

f) **Report on Active Proposals and Related Activities (information)**
The Commission will receive a status report on active proposals currently on file as well as anticipated filings based on ongoing discussions with proponents. The item is for information and satisfies LAFCO's reporting requirement. (Pages 79-94)

g) **Report on Cities and Special Districts Advisory Committee Activities (information)**
The Commission will receive an update on activities of the Cities and Special Districts Advisory Committees during Fiscal Year 2024-2025. The report outlines meetings held, committee engagement, and highlights of key discussions. The item is for information in step with concluding this workplan assignment. (Pages 95-102)

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) **Annual Workforce Vacancy Report in Compliance with Assembly Bill 2561 (action)**
The Commission will consider an annual workforce vacancy report addressing position vacancies at LAFCO as of May 2025. This new requirement is tied to the passage of Assembly Bill (AB) 2561, signed into law in September 2024, requiring local public agencies to publicly address the status of all agency vacancies. This item is for the Commission to formally receive and file. (Pages 103-106)

b) **Proposed Final Workplan and Budget for 2025-2026 and Related Actions (action)**
The Commission will consider recommendations from the Executive Officer to adopt a final workplan and budget for 2025-2026. Both items return substantively intact following their draft adoption in March and subsequent public review. The proposed final workplan continues to outline 30 special projects with a revision to elevate a special governance study on the Oceanside Small Craft Harbor District to a higher priority. The proposed final budget continues to set $3.164 million in matching expenses and revenues — an increase of 8.6% from the current fiscal year. The lone revision to the budget involves lowering local agency appointments from 7.6% to 5.0% consistent with Commission direction, with the difference offset by a greater use of reserves. It is recommended the Commission adopt both items with any revisions by resolution along with related actions as specified. (Pages 107-126)

c) **Proposed "Cavanaugh – Linda Vista Drive Change of Organization" |**
Annexation to Vallecitos Water District & Related Sphere Action (CO24-13) (action)
The Commission will consider a change of organization proposal initiated by landowner petition to annex approximately one acre of incorporated territory in the City of San Marcos to the Vallecitos Water District. The affected territory comprises an undeveloped legal parcel off of Linda Vista Drive and identified by the Assessor as 219-022-33, which lies immediately outside Vallecitos and associated sphere. The proposal's purpose is to establish wastewater services to facilitate the planned development of one single-family residence with a detached garage. Staff recommends conditional approval along with a conforming sphere amendment. Waivers are also recommended to proceed without a new municipal service review – otherwise required under LAFCO Policy L-106 – and dismissing protest. It is separately recommended the Commission make exemption findings under CEQA. (Pages 127-174)

7. BUSINESS CALENDAR

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

a) Proposed Policy | Financial Accounting and Internal Controls (action)

The Commission will consider approving a policy establishing formal rules and procedures for financial accounting and related reporting. This item ties to the adopted workplan and returns to the Commission largely intact following its initial presentation in March 2025 and marked by addressing reporting responsibilities, capitalization thresholds, and fraud prevention. Revisions are limited to addressing disposing of surplus assets. It is recommended the Commission approve the proposed policy with any requested changes. (Pages 175-184)

b) La Jolla Incorporation Proposal (information)

The Commission will receive an update on the proposed "City of La Jolla Special Reorganization" and the concurrent requested actions to detach the community from the City of San Diego and incorporate as the City of La Jolla. 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. 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. Information only. (Pages 185-204)

c) Memorandum of Understanding with Los Angeles, Orange, and San Bernardino LAFCOs for Continuing Education and Legislative Support Services (information)

The Commission will receive an update on efforts to establish alternative support services for non-renewing membership with CALAFCO for reasons detailed at the February 2025 meeting. Efforts have resulted in an MOU with Los Angeles, Orange, and San Bernardino LAFCOs to jointly provide continuing education and legislative advocacy services beginning July 1, 2025. Item is for information only with the opportunity for Commission feedback. (Pages 205-212)

8. EXECUTIVE OFFICER REPORT

9. COMMISSIONER ANNOUNCEMENTS & REQUESTS FOR FUTURE ITEMS

10. ADJOURNMENT

Attest to Posting:

Erica Sellen
Commission Clerk

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5a

AGENDA REPORT
Consent | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

FROM: Erica Sellen, Commission Clerk

SUBJECT: **Approval of Meeting Minutes | Regular Meeting of March 3, 2025**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider draft minutes prepared for the regular meeting held on March 3, 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 written minutes for qualifying meetings.

DISCUSSION

This item is for San Diego LAFCO to consider approving action minutes for the March 3, 2025. The attendance record for the meeting follows.

- All regular Commissioners were present.
- All alternate Commissioners were present with the exception of Marni von Wilpert (City of San Diego).

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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
Vacant, General Public
Brigette Browning, Alt., General Public

ANALYSIS

The attached draft minutes for the March 3, 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 March 3, 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 March 3, 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 March 3, 2025

DRAFT MINUTES
SAN DIEGO LAFCO
March 3, 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:	Joel Anderson, County of San Diego Kristi Becker, City of Solana Beach Jim Desmond, County of San Diego Jo MacKenzie, Vista Irrigation District Harry Mathis, Public 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 David Drake, Rincon Municipal Water District John McCann, City of Chula Vista
Members Absent:	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: Executive Officer Keene Simonds; Assistant Executive Officer Priscilla Mumpower; Commission Counsel Holly Whatley; Local Government Analyst II Michaela Peters; Local Government Analyst I Joelle Burila; Local Government Analyst I Meghan Traynor; Communications Associate Aiden Velasquez; GIS Analyst Dieu Ngu; and Commission Clerk Erica Sellen. LAFCO Consultants Chris Cate, Tom Kennedy, and Adam Wilson were also present.

Item 1b
PLEDGE OF ALLEGIANCE

Commissioner Mathis led the Pledge of Allegiance.

Item 1c
STATEMENT (JUST CAUSE) AND/OR CONSIDERATION OF A REQUEST TO PARTICIPATE REMOTELY (EMERGENCY CIRCUMSTANCES) BY A COMMISSIONER, IF APPLICABLE

None.

2. COMMENDATION FOR COMMISSIONER HARRY MATHIS

On behalf of the Commission, Chair Whitburn thanked Commissioner Mathis for his years of service. On behalf of the San Diego County Board of Supervisors, Commissioners Desmond and Anderson thanked Mr. Mathis and presented him with a proclamation. Commissioner Mathis expressed his gratitude for the opportunity to be on the Commission. Executive Officer Simonds provided a formal commendation to Mr. Mathis.

3. AGENDA REVIEW

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 but there was supplemental correspondence for Agenda Item 6a.

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. Chair Whitburn invited comments from the following registered speaker:

- Michelle Krug

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

5. CONSENT ITEMS

Item 5a
Approval of Meeting Minutes for February 3, 2025
Item presented to approve draft action minutes prepared for the Commission's February 3, 2025 meeting. Recommendation to approve.

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

Item 5c
Budget Update for 2024-2025 | Second Quarter Actuals + Year-End Projections
Item presented to review a report comparing budgeted and actual amounts for the second quarter of 2024-2025 and related end-year projections. No amendments are proposed. Recommendation to formally accept and file.

Item 5d
Progress Report on 2024-2025 Workplan
Item presented to receive a progress report on the adopted workplan, and activities associated with the 30 special projects set for 2024-2025. Recommendation to formally receive the item.

CONSENT ITEMS CONTINUED…

Item 5e
Notice of Administrative Approval | "Lopez–Bear Valley Parkway Out-of-Agency Wastewater Services with the City of Escondido" (OAS25-03)
Item presented to receive notice of administrative approval by the Executive Officer authorizing Escondido to provide out-of-agency wastewater services to an unincorporated property at 455 Bear Valley Parkway due to a failing septic system. The approval is for an existing single-family residence and accessory dwelling unit. 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 (CEQA) Guidelines Section 15269(c). Information only.

Item 5f
Report on Active Proposals and Related Activities
Item presented to receive a status report on active proposals currently on file as well as anticipated filings based on ongoing discussions with proponents. Information only.

Chair Whitburn invited comments for Item 5f from the following registered speaker:

- Michelle Krug

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

Item 5g
Support Services Provided by the County of San Diego and Recent Costs
Item presented to receive an informational report on support services provided by the County of San Diego and associated reimbursement costs made over the last five fiscal years. The report responds to an earlier request by the Commission. Information only.

**

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

Roll call requested:

AYES:	Anderson, Becker, Desmond, MacKenzie, Mathis, Whitburn, White, & Willis
NOES:	None
ABSENT:	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
Proposed Draft Workplan and Budget for 2025-2026
Item presented to consider recommendations for a proposed draft workplan and budget for 2025-2026. The workplan lists 30 special projects in priority order with several continuing from the current workplan including municipal service reviews of wholesale water service providers and healthcare districts. Proposed additions include commencing a new municipal service review on the Port District and launching a pilot grant program. The draft budget totals $3.164 million, reflecting an 8.6% increase to accommodate targeted enhancements for salaries/benefits and services/supplies. Local agency apportionments are proposed to increase by 7.6%, with the balance covered by reserves. A public review period would follow approval, with final proposed versions presented in May. Recommendation to approve.

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

Executive Officer Simonds provided the staff presentation.

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

- James Johnson, Oceanside resident and business owner (support)
- Liz Rhea, Oceanside resident (support)
- George Rhea, Oceanside resident (support)

* All above speakers provided support specific to the draft workplan calling for a governance study of the Oceanside Small Craft Harbor District with a request to also make it a higher priority.

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

Chair Whitburn proceeded to invite questions and comments from the Commissioners. Commissioner Desmond expressed that he is open to using additional reserves to curb the increase to local agencies, provided they can be rebuilt in accordance with policy. He also asked how LAFCO can address concerns raised by the public speakers to advance the urgency of the proposed governance study on the Oceanside Small Craft Harbor District. In response, Executive Officer Simonds stated staff would review options in scaling a proposed governance study and presenting a scope of work at the next hearing. General discussion followed.

Chair Whitburn inquired whether LAFCO could use its reserves to lower the proposed increase to the apportionment rate from 7.6% to 5.0% and in doing so reduce agencies' costs. Commissioner White expressed support for the comments made by Commissioners Desmond and Whitburn with respect to reducing impacts on local agencies while recognizing the importance of maintaining a sufficient reserve level.

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

PUBLIC HEARING ITEMS CONTINUED…

Item 6a Continued…

**

Commissioner Whitburn motioned with a second from Commissioner Desmond to approve the staff recommendation (Alternative One) as listed in the agenda report, while directing staff to return with information proceeding with a special governance study on the Oceanside Small Craft Harbor District as well as options for using additional reserves to reduce the apportionment increase for agencies.

Roll call requested:

AYES:	Anderson, Becker, Desmond, MacKenzie, Mathis, Whitburn, White, & Willis
NOES:	None
ABSENT:	von Wilpert
ABSTAINING:	None

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

Item 6b
Proposed "Huang-Mt. Whitney Road Change of Organization" | Expansion of Rincon del Diablo MWD's Activated Wastewater Service Area and Conforming Sphere of Influence Action (CO24-09)
Item presented to consider a change of organization proposal initiated by landowner petition to expand Rincon del Diablo MWD's activated wastewater service area to include 0.91 acres of unincorporated land in the Harmony Grove community. The territory is within Rincon MWD's jurisdiction and primary sphere but outside the activated wastewater service area and secondary sphere. The proposal aims to establish wastewater service for a planned single-family residence. Recommendation to approve.

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

Local Government Analyst I Traynor 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. No discussion.

The Chair proceeded to close the hearing and invited a motion.

PUBLIC HEARING ITEMS CONTINUED…

Item 6b Continued…

**

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

Roll call requested:

AYES:	Anderson, Becker, Desmond, MacKenzie, Mathis, Whitburn, White, & Willis
NOES:	None
ABSENT:	von Wilpert
ABSTAINING:	None

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

7. BUSINESS ITEMS

Item 7a
Draft Proposed Policy | Financial Accounting and Internal Controls
Item presented to review a draft proposed policy to establish rules and procedures for financial accounting and reporting. The draft, prepared as part of the adopted workplan, incorporates recommendations from LAFCO's outside auditor. It draws on best practices from similarly sized local agencies and addresses reporting roles, account management, capitalization thresholds, and fraud prevention. Recommendation to review and discuss with staff finalizing a version for formal consideration at a future meeting.

Assistant Executive Officer Mumpower 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. No discussion.

No action.

Item 7b
Proposed "Lank – Poinsettia Avenue Out-of-Agency Wastewater Services" |
Buena Sanitation District (OAS25-04)
Item presented to consider a request by the Buena Sanitation District to provide out-of-agency wastewater services to a 0.51-acre parcel within the City of San Marcos, located at 806 Poinsettia Avenue. The request to extend wastewater services is to support the construction of an additional single-family residence and two accessory dwelling units. Recommendation to approve.

Local Government Analyst I Traynor provided the staff presentation.

BUSINESS ITEMS CONTINUED…

Item 7b 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.

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

**

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

Roll call requested:

AYES:	Anderson, Becker, Desmond, MacKenzie, Mathis, Whitburn, White, & Willis
NOES:	None
ABSENT:	von Wilpert
ABSTAINING:	None

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

Item 7c
Update on Implementing Report Recommendations from University of California Berkeley to Expand LAFCOs' Effectiveness
Item presented to receive an update on staff activities advancing recommendations from a UC Berkeley report on LAFCOs' effectiveness. Presented in March 2024, the report focuses on strengthening relationships between State regulators, LAFCOs, and local communities to ensure safe drinking water, particularly through municipal service reviews and water system consolidations. Staff, in collaboration with the author and other stakeholders, is developing legislative amendments to address key recommendations, including expanding LAFCOs' authority to initiate annexations for public health-related water and wastewater services. Information only.

Local Government Analyst I Burila 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. No discussion.

No action.

BUSINESS ITEMS CONTINUED…

Item 7d
Support for Assembly Bill 259 | Remote Participation for Local Agencies
Item presented to consider supporting Assembly Bill (AB) 259, introduced by Assemblywoman Blanca Rubio, which seeks to remove the January 1, 2026, sunset date from provisions in the Ralph M. Brown Act (AB 2449). AB 259 would allow local agencies to continue using alternative teleconferencing procedures for remote participation during emergencies or for "just cause." Recommendation to approve.

Local Government Analyst I Burila 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. No discussion.

**

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

Roll call requested:

AYES:	Anderson, Becker, Desmond, Mathis, MacKenzie, Whitburn, White, & Willis
NOES:	None
ABSENT:	von Wilpert
ABSTAINING:	None

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

8. EXECUTIVE OFFICER REPORT

Executive Officer Keene Simonds noted the following item:

- Update on the status of the petitions filed to incorporate La Jolla.

9. COMMISSIONER ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS

Chair Whitburn invited comments from the following registered speaker:

- Alisha Morrison, requested the Commission rescind LAFCO proposal RO19-16 "Sweetwater Road Reorganization" previously approved on December 2, 2019.

Commissioner MacKenzie would like to formalize a policy to remove stalled projects, similar to the County of San Diego's policy.

Commissioner Mathis thanked the Commission again for the opportunity to serve.

10. 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 March 3, 2025 meeting.

ATTEST,

Erica Sellen
Commission Clerk

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5b

AGENDA REPORT
Consent | Action

May 5, 2025

TO: Commissioners

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

SUBJECT: **Commission Ratification | Recorded Payments for February and March 2025**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report identifying payments made and received between February and March 2025. Payments cover all recorded transactions and include $0.578 million in total distributions made by the Executive Officer. Nearly one-half of all payments made tie to the County of San Diego for payroll reimbursements as well as charges for general overhead and information technology. Most of the remaining payments made involve professional services. Payments received total $0.340 million and tie to several new applications and grant reimbursements from the State of California. It is recommended the Commission ratify the payments.

BACKGROUND

Accounting Policies and Procedures

San Diego LAFCO's policies provide direction to the Executive Officer to maintain appropriate accounting controls for all financial transactions on behalf of the Commission. Spending allowances are specified and include bid procedures for financial transactions at or above $10,000 (unless waived due to unique circumstances) and separate Commission approval for any transactions at or above $125,000.

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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
Vacant, General Public
Brigette Browning, Alt., General Public

DISCUSSION

This item is for San Diego LAFCO to consider ratification of all payments made and received by the Executive Officer for February and March 2025. A detailing of these transactions is provided in Attachments One (February) and Two (March). Item separately provides the Commission the opportunity to pull the item for discussion and provide feedback on potential changes in purchasing practices and/or accounting procedures going forward.

ANALYSIS

San Diego LAFCO's recorded payments made by the Executive Officer covering February and March 2025 total $577,544 with 47% – or $273,313 – tied to transactions with the County of San Diego. This includes payroll reimbursements covering four pay periods as well as expenses for general overhead and information technology. All expenses are consistent with the adopted budget. Revenues collected total $340,120 and include several new applicant filings as well as grant reimbursement payments from the State of California.

RECOMMENDATION

It is recommended San Diego LAFCO ratify the payments made and received by the Executive Officer for February and March 2025 as presented. 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):
Ratify the recorded payments received and made by the Executive Officer for February and March 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

Attachments:

1) Recorded Transactions in February 2025
2) Recorded Transactions in March 2025

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SAN DIEGO LAFCO
Expenses by Vendor Detail
February 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | 3MC Strategies						
	2/19/2025	52370.F · Professional Services	8,280.00	Consultant Services | Intergovernmental	electronic	1000 · County Account (44595)
E | Ace Parking						
	2/7/2025	52530 · Office Lease	240.00	Monthly Parking Rent (Two Months for MT)	electronic	1000 · County Account (44595)
	2/26/2025	52530 · Office Lease	1,080.00	Monthly Parking Rent	electronic	1000 · County Account (44595)
	2/28/2025	52530 · Office Lease	72.00	Parking Validations	electronic	1000 · County Account (44595)
			1,392.00			
E | ADW Consulting LLC						
	2/26/2025	52370.F · Professional Services	11,100.00	Consultant Services | Intergovernmental	electronic	1000 · County Account (44595)
E | After Effects (Adobe)						
	2/10/2025	52270 · Memberships	22.99	Monthly Video Editing Software Subscription	credit card	3558-60 · SDCCU Visa Credit Card
	2/16/2025	52270 · Memberships	19.99	Monthly Adobe DC Pro Upgrade	debit card	3558 · SDCCU Checking
			42.98			
E | Agricultural Impact Associates LLC						
	2/7/2025	52304 · Miscellaneous	50,275.89	SALC Grant Payment (Two Invoices)	electronic	1000 · County Account (44595)
E |Aiden Velasquez						
	2/10/2025	52610 · Non-Travel/In-County	21.57	Reimbursement | Lunch - Solana Beach Briefing	check	3558 · SDCCU Checking
E | Amazon						
	2/21/2025	52344 · Stores Unallocated	285.09	General Office Supplies	credit card	3558-60 · SDCCU Visa Credit Card
	2/26/2025	52330 · Office Expense	149.77	Prime Annual Membership	credit card	3558-60 · SDCCU Visa Credit Card
			434.86			
E | Ambius						
	2/18/2025	52344 · Stores Unallocated	434.23	Monthly Service for Office Plants	check	3558 · SDCCU Checking
E | ARCC (Assessor Recording County)						
	2/10/2025	52490 · Publications	50.00	NOE Fee | Dragovic-Sunset Dr. (OAS24-10b)	check	3558 · SDCCU Checking
	2/10/2025	52490 · Publications	50.00	NOE Fee | Hallam-Lovely Ln. (OAS25-01)	check	3558 · SDCCU Checking
	2/10/2025	52490 · Publications	50.00	NOE Fee | Ortega-Olde Highway 80 (CO19-04)	check	3558 · SDCCU Checking
	2/10/2025	52490 · Publications	50.00	NOE Fee | Benter-Alto Dr. (OAS24-04)	check	3558 · SDCCU Checking
	2/10/2025	52490 · Publications	50.00	NOE Fee | SOI Establishment for SD Unified Port (DF25-05)	check	3558 · SDCCU Checking
			250.00			
E | Assura Software						
	2/21/2025	52074 · Telecommunications	750.00	Website Hosting Support Services	electronic	1000 · County Account (44595)
E | Blue Barn LLC						
	2/19/2025	52074 · Telecommunications	3,000.00	Video Recording Services	electronic	1000 · County Account (44595)
E | Canva						
	2/7/2025	52270 · Memberships	30.00	Monthly Subscription	credit card	3558-60 · SDCCU Visa Credit Card
E | City SD Parking						
	2/23/2025	52610 · Non-Travel/In-County	1.75	EO Parking	debit card	3558 · SDCCU Checking
E | Claim Jumper						
	2/3/2025	52610 · Non-Travel/In-County	107.85	EO, AEO & Counsel Debriefing	credit card	3558-60 · SDCCU Visa Credit Card
E | Colantuono, Highsmith & Whatley						
	2/26/2025	52370.B · Professional Services	5,691.50	Commission Counsel Services	electronic	1000 · County Account (44595)
E | Corodata						
	2/18/2025	52330 · Office Expense	120.90	Document Storage (Two Months)	check	3558 · SDCCU Checking
E | County of San Diego						
	2/1/2025	52354 · Mail/Postage ISF	1,459.63	Mail/Postage Services	electronic	1000 · County Account (44595)
	2/1/2025	52178 · Vehicle Maintenance	143.20	Vehicle Maintenance Services	electronic	1000 · County Account (44595)
	2/1/2025	52182 · Vehicle Fuel	42.00	Vehicle Fuel	electronic	1000 · County Account (44595)
	2/1/2025	52758 · Vehicle Lease	165.49	Vehicle Lease	electronic	1000 · County Account (44595)
	2/1/2025	52721 et al. · Communications (IT) Services	6,513.45	County IT Services (ITRACK)	electronic	1000 · County Account (44595)
	2/14/2025	51110 et al. · Employee Payroll	61,293.99	Payroll | Pay Period 2025-17	electronic	1000 · County Account (44595)
	2/28/2025	51110 et al. · Employee Payroll	56,698.90	Payroll | Pay Period 2025-18	electronic	1000 · County Account (44595)
	2/28/2025	52550.B · County Overhead Costs	14,307.47	A-87 3rd Quarter	electronic	1000 · County Account (44595)
	2/28/2025	52550.B · County Overhead Costs	15.88	County Surcharge | A-87 3rd Quarter	electronic	1000 · County Account (44595)
	2/28/2025	52504 · Equipment Rental	1.85	County Surcharge | Xerox	electronic	1000 · County Account (44595)
	2/28/2025	52304 · Miscellaneous	4,569.75	SALC Grant Payment to County DPS	electronic	1000 · County Account (44595)
			145,211.61			
E | CSDA San Diego Chapter						
	2/19/2025	52610 · Non-Travel/In-County	80.00	Quarterly Dinner Meeting Registration (MT)	debit card	3558 · SDCCU Checking

SAN DIEGO LAFCO
Expenses by Vendor Detail
February 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Donut Star						
	2/4/2025	52330 · Office Expense	40.75	Commission Meeting Refreshments	debit card	3558 · SDCCU Checking
E | Fax Plus						
	2/9/2025	52330 · Office Expense	9.26	Monthly Fax Machine Payment	debit card	3558 · SDCCU Checking
E | Instagram						
	2/13/2025	52074 · Telecommunications	35.71	Social Media Posts Boost	credit card	3558-60 · SDCCU Visa Credit Card
E | Joelle Burila						
	2/10/2025	52610 · Non-Travel/In-County	23.11	Reimbursement | Lunch - Solana Beach Briefing	check	3558 · SDCCU Checking
E | Kennedy Water Consulting LLC						
	2/19/2025	52370.F · Professional Services	8,387.50	Consultant Services | Utilities	electronic	1000 · County Account (44595)
E | Labor Law Center						
	2/13/2025	52330 · Office Expense	47.82	State Law Poster	debit card	3558 · SDCCU Checking
E | LAZ Parking San Diego						
	2/7/2025	52610 · Non-Travel/In-County	35.95	EO + AEO Parking	debit card	3558 · SDCCU Checking
E | Leaf & Cole LLP						
	2/7/2025	52370.H · Professional Services	1,550.00	Accounting Services	electronic	1000 · County Account (44595)
E | Manchester Financial 5th Ave LP						
	2/26/2025	52530 · Office Lease	11,824.47	Office & Storage Rent	electronic	1000 · County Account (44595)
E | Meghan Traynor						
	2/10/2025	52610 · Non-Travel/In-County	16.04	Reimbursement | Lunch - Solana Beach Briefing	check	3558 · SDCCU Checking
	2/18/2025	52610 · Non-Travel/In-County	2.50	Reimbursement | Parking - San Diego Central Library	cash	1040 · Petty Cash
			18.54			
E | Michael Stein						
	2/19/2025	52370.F · Professional Services	460.00	Consultant Services | Fire	electronic	1000 · County Account (44595)
E | Monarch Ocean Pub						
	2/2/2025	52610 · Non-Travel/In-County	56.65	AEO Meeting	credit card	3558-60 · SDCCU Visa Credit Card
E | News Library						
	2/9/2025	52270 · Memberships	25.95	SD Tribune Archives Monthly Service	debit card	3558 · SDCCU Checking
E | Postal Annex						
	2/26/2025	52332 · Postage	87.56	Mailing Agenda Packet to DD, HM, JM & BW	credit card	3558-60 · SDCCU Visa Credit Card
E | Progressive Healthcare Inc						
	2/19/2025	52370 · Professional Services	34,416.30	Consultant Services | Healthcare Districts	electronic	1000 · County Account (44595)
E | QuickBooks						
	2/4/2025	52330 · Office Expense	99.00	Monthly Service for Online QuickBooks	debit card	3558 · SDCCU Checking
E | Ready Refresh						
	2/6/2025	52330 · Office Expense	101.93	Monthly Water Service	credit card	3558-60 · SDCCU Visa Credit Card
E | RGS						
	2/7/2025	52370 · Professional Services	155.61	HR Services to AEO	electronic	1000 · County Account (44595)
E | Rick Engineering Co						
	2/26/2025	52304 · Miscellaneous	13,966.00	SALC Grant Payment	electronic	1000 · County Account (44595)
E | San Diego Union Tribune						
	2/18/2025	52490 · Publications	3,039.62	PHNs | DF25-05 (English & Spanish)	check	3558 · SDCCU Checking
E| Sloan Sakai Yeung & Wong LLP						
	2/19/2025	52370.B · Professional Services	383.50	Special Counsel Services	electronic	1000 · County Account (44595)
E | Snooze						
	2/2/2025	52610 · Non-Travel/In-County	92.67	County Homeless Count | Breakfast - AEO, MT & AV	credit card	3558-60 · SDCCU Visa Credit Card
E | Starbucks						
	2/5/2025	52330 · Office Expense	49.45	Commission Meeting Refreshments	debit card	3558 · SDCCU Checking
E | The Brigantine						
	2/12/2025	52610 · Non-Travel/In-County	59.84	EO Briefing with JM	debit card	3558 · SDCCU Checking
E | The Escape Room						
	2/11/2025	52610 · Non-Travel/In-County	314.93	Quarterly Staff Bonding Activity	credit card	3558-60 · SDCCU Visa Credit Card
E | The Westgate						
	2/7/2025	52610 · Non-Travel/In-County	66.03	EO, AEO and NZH	credit card	3558-60 · SDCCU Visa Credit Card
E | Xerox						
	2/10/2025	52504 · Equipment Rental	271.64	Xerox Rental	electronic	1000 · County Account (44595)

SAN DIEGO LAFCO
Expenses by Vendor Detail
February 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | YouTube						
	2/7/2025	52270 · Memberships	22.99	Monthly Streaming Support Services	debit card	3558 · SDCCU Checking
EXPENSE TOTAL			302,867.92			
R | A.M. Ortega Construction, Inc.						
	2/27/2025	52490 · Publications	50.00	Recording Fees (CO19-04)	check	3558 · SDCCU Checking
R | Biermann						
	2/11/2025	46234 · Applications	10,568.25	Processing Fees (CO24-17)	check	1000 · County Account (44595)
R | County of San Diego						
	2/28/2025	45918 · LAFCO Apportionment	110,789.19	LAFCO Apportionment FY24-25	electronic	1000 · County Account (44595)
	2/28/2025	49200 · Interest & Dividends	49.30	Interest Payment to Account 46725	electronic	1001 · Committed - Stabilization (min. balance of $250k)
	2/28/2025	49200 · Interest & Dividends	75.99	Interest Payment to Account 46726	electronic	1002 · Committed - Opportunity (min. balance of $300k)
	2/28/2025	49200 · Interest & Dividends	99.53	Interest Payment to Account 46727	electronic	1003 · Assigned - Executive Officer (up to $125k)
			111,014.01			
R | Lank						
	2/27/2025	46234 · Applications	1,921.50	Processing Fees (OAS25-04)	check	3558 · SDCCU Checking
	2/27/2025	52490 · Publications	50.00	Recording Fees (OAS25-04)	check	3558 · SDCCU Checking
			1,971.50			
R | Lopez						
	2/27/2025	46234 · Applications	480.40	Processing Fees (OAS25-03)	check	3558 · SDCCU Checking
R | State of California						
	2/20/2025	45281 · State Aid Agriculture	77,573.58	SALC Grant	check	1000 · County Account (44595)
R | The Association for the City of La Jolla						
	2/11/2025	46234 · Applications	66,000.00	Processing Fees - Initial Deposit (DF24-15)	check	1000 · County Account (44595)
REVENUE TOTAL			267,657.74			

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SAN DIEGO LAFCO
Expenses by Vendor Detail
March 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | 3MC Strategies						
	3/14/2025	52370.F · Professional Services	5,175.00	Consultant Services | Intergovernmental	electronic	1000 · County Account (44595)
E | Ace Parking						
	3/21/2025	52530 · Office Lease	1,080.00	Monthly Parking Rent	electronic	1000 · County Account (44595)
	3/21/2025	52530 · Office Lease	12.00	Parking Validations	electronic	1000 · County Account (44595)
			1,092.00			
E | ADW Consulting LLC						
	3/21/2025	52370.F · Professional Services	10,650.00	Consultant Services | Intergovernmental	electronic	1000 · County Account (44595)
E | AEP						
	3/26/2025	52336 · Books/Office Library	131.54	2025 CEQA Handbooks (Analysts)	debit card	3558 · SDCCU Checking
E | After Effects (Adobe)						
	3/10/2025	52270 · Memberships	22.99	Monthly Video Editing Software Subscription	credit card	3558-60 · SDCCU Visa Credit Card
	3/16/2025	52270 · Memberships	19.99	Monthly Adobe DC Pro Upgrade	debit card	3558 · SDCCU Checking
			42.98			
E | Agricultural Impact Associates LLC						
	3/5/2025	52304 · Miscellaneous	54,039.08	SALC Grant Payment	electronic	1000 · County Account (44595)
E |Aiden Velasquez						
	3/6/2025	52566 · Minor Equipment	48.46	Reimbursement | Camera Equipment	check	3558 · SDCCU Checking
E | Amazon						
	3/9/2025	52344 · Stores Unallocated	256.57	General Office Supplies	credit card	3558-60 · SDCCU Visa Credit Card
	3/10/2025	52566 · Minor Equipment	2,002.13	Camera Equipment	credit card	3558-60 · SDCCU Visa Credit Card
			2,258.70			
E | Ambius						
	3/11/2025	52344 · Stores Unallocated	434.23	Monthly Service for Office Plants	check	3558 · SDCCU Checking
E | ARCC (Assessor Recording County)						
	3/6/2025	52490 · Publications	50.00	NOE Fee | Lopez-Bear Valley Pkwy. (OAS25-03)	check	3558 · SDCCU Checking
	3/11/2025	52490 · Publications	50.00	NOE Fee | Huang-Mt. Whitney Rd. (OAS24-09)	check	3558 · SDCCU Checking
	3/11/2025	52490 · Publications	50.00	NOE Fee | Huang-Mt. Whitney Rd. SOI (OAS24-09)	check	3558 · SDCCU Checking
	3/11/2025	52490 · Publications	50.00	NOE Fee | Lank-Poinsettia Ave. (OAS25-04)	check	3558 · SDCCU Checking
			200.00			
E | Assura Software						
	3/17/2025	52074 · Telecommunications	750.00	Website Hosting Support Services	electronic	1000 · County Account (44595)
E | AT&T Mobilty						
	3/6/2025	52074 · Telecommunications	626.00	Monthly Cell Phone | LAFCO Staff	check	3558 · SDCCU Checking
	3/26/2025	52074 · Telecommunications	616.86	Monthly Cell Phone | LAFCO Staff	check	3558 · SDCCU Checking
			1,242.86			
E | Blue Barn LLC						
	3/19/2025	52074 · Telecommunications	3,000.00	Video Recording Services	electronic	1000 · County Account (44595)
E | CALAFCO						
	3/18/2025	52610 · Non-Travel/In-County	1,200.00	Staff Workshop Registration (JB, MP & MT)	debit card	3558 · SDCCU Checking
E | Canva						
	3/7/2025	52270 · Memberships	30.00	Monthly Subscription	credit card	3558-60 · SDCCU Visa Credit Card
E | City SD Parking						
	3/2/2025	52610 · Non-Travel/In-County	8.00	AEO Parking	credit card	3558-60 · SDCCU Visa Credit Card
E | Claim Jumper						
	3/3/2025	52610 · Non-Travel/In-County	317.20	All Staff | Commissioner Mathis Last Meeting	credit card	3558-60 · SDCCU Visa Credit Card
E | Colantuono, Highsmith & Whatley						
	3/19/2025	52370.B · Professional Services	8,982.78	Commission Counsel Services	electronic	1000 · County Account (44595)
E | County of San Diego						
	3/1/2025	52354 · Mail/Postage ISF	512.50	Mail/Postage Services	electronic	1000 · County Account (44595)
	3/1/2025	52178 · Vehicle Maintenance	143.20	Vehicle Maintenance Services	electronic	1000 · County Account (44595)
	3/1/2025	52182 · Vehicle Fuel	60.94	Vehicle Fuel	electronic	1000 · County Account (44595)
	3/1/2025	52758 · Vehicle Lease	165.49	Vehicle Lease	electronic	1000 · County Account (44595)
	3/1/2025	52721 et al. · Communications (IT) Services	6,912.25	County IT Services (ITRACK)	electronic	1000 · County Account (44595)
	3/14/2025	51110 et al. · Employee Payroll	61,339.76	Payroll | Pay Period 2025-19	electronic	1000 · County Account (44595)
	3/28/2025	51110 et al. · Employee Payroll	58,965.74	Payroll | Pay Period 2025-20	electronic	1000 · County Account (44595)
	3/31/2025	52504 · Equipment Rental	1.65	County Surcharge | Xerox	electronic	1000 · County Account (44595)
			128,101.53			

SAN DIEGO LAFCO
Expenses by Vendor Detail
March 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | CSDA San Diego Chapter						
	3/9/2025	52610 · Non-Travel/In-County	120.00	CoWU Luncheon Registration (AEO & MT)	debit card	3558 · SDCCU Checking
E | Donut Star						
	3/4/2025	52330 · Office Expense	45.00	Commission Meeting Refreshments	debit card	3558 · SDCCU Checking
E | Fax Plus						
	3/9/2025	52330 · Office Expense	9.26	Monthly Fax Machine Payment	debit card	3558 · SDCCU Checking
E | Instagram						
	3/18/2025	52074 · Telecommunications	199.88	Social Media Posts Boost	credit card	3558-60 · SDCCU Visa Credit Card
E | Iron Mountain						
	3/10/2025	52330 · Office Expense	3.38	Document Storage	debit card	3558 · SDCCU Checking
E | Keene Simonds						
	3/6/2025	52610 · Non-Travel/In-County	123.64	Reimbursement | Lunch Meetings	check	3558 · SDCCU Checking
E | Leaf & Cole LLP						
	3/7/2025	52370.H · Professional Services	14,880.00	Accounting Services (Audit Prep)	electronic	1000 · County Account (44595)
E | Manchester Financial 5th Ave LP						
	3/7/2025	52530 · Office Lease	11,816.47	Office & Storage Rent	electronic	1000 · County Account (44595)
E | Michael's						
	3/2/2025	52330 · Office Expense	38.05	Commendation | Commissioner Mathis Last Meeting	credit card	3558-60 · SDCCU Visa Credit Card
E | Michael Stein						
	3/5/2025	52370.F · Professional Services	180.00	Consultant Services | Fire	electronic	1000 · County Account (44595)
	3/14/2025	52370.F · Professional Services	1,440.00	Consultant Services | Fire	electronic	1000 · County Account (44595)
			1,620.00			
E | News Library						
	3/9/2025	52270 · Memberships	25.95	SD Tribune Archives Monthly Service	debit card	3558 · SDCCU Checking
E | Parc Bistro Brasserie						
	3/30/2025	52610 · Non-Travel/In-County	128.67	EO, AEO, MP & TK MSR Briefing	debit card	3558 · SDCCU Checking
E | Pottery Barn						
	3/5/2025	52330 · Office Expense	40.00	Tip for Conference Room Table Installation	cash	1040 · Petty Cash
E | QuickBooks						
	3/4/2025	52330 · Office Expense	99.00	Monthly Service for Online QuickBooks	debit card	3558 · SDCCU Checking
E | Ready Refresh						
	3/2/2025	52330 · Office Expense	116.92	Monthly Water Service	credit card	3558-60 · SDCCU Visa Credit Card
	3/29/2025	52330 · Office Expense	116.92	Monthly Water Service	credit card	3558-60 · SDCCU Visa Credit Card
			233.84			
E | RGS						
	3/7/2025	52370 · Professional Services	153.90	HR Services to AEO	electronic	1000 · County Account (44595)
E | San Diego Metal Graphics						
	3/26/2025	52330 · Office Expense	581.85	Nameplates & Holders for Cities Advisory Members	check	3558 · SDCCU Checking
E | San Diego Union Tribune						
	3/11/2025	52490 · Publications	3,279.89	PHNs | OAS24-04 & Workplan/Budget (English & Spanish)	check	3558 · SDCCU Checking
E | Starbucks						
	3/5/2025	52330 · Office Expense	49.45	Commission Meeting Refreshments	debit card	3558 · SDCCU Checking
E | The Market Place						
	3/7/2025	52330 · Office Expense	24.57	EO & AW Briefing (HCD MSR)	debit card	3558 · SDCCU Checking
E | The Westbean						
	3/4/2025	52610 · Non-Travel/In-County	23.40	AEO Meeting	credit card	3558-60 · SDCCU Visa Credit Card
E | Union Kitchen						
	3/2/2025	52610 · Non-Travel/In-County	59.63	Quarterly Team Bonding - Lunch	credit card	3558-60 · SDCCU Visa Credit Card
E | William Fulton Group						
	3/21/2025	52370.F · Professional Services	11,400.00	Consultant Services | Planning	electronic	1000 · County Account (44595)
E | W. Michael Hanemann						
	3/19/2025	52370.F · Professional Services	11,750.00	Consultant Services | SDCWA MSR	electronic	1000 · County Account (44595)
E | Xerox						
	3/12/2025	52504 · Equipment Rental	243.13	Xerox Rental	electronic	1000 · County Account (44595)
E | YouTube						
	3/7/2025	52270 · Memberships	22.99	Monthly Streaming Support Services	debit card	3558 · SDCCU Checking
EXPENSE TOTAL			274,676.31			

SAN DIEGO LAFCO
Expenses by Vendor Detail
March 2025

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
R | Huang						
	3/26/2025	52490 · Publications	100.00	Recording Fees (CO24-09)	check	3558 · SDCCU Checking
	3/26/2025	52490 · Publications	658.50	PHN Fees (CO24-09)	check	3558 · SDCCU Checking
			758.50			
R | Lank						
	3/26/2025	52490 · Publications	50.00	Recording Fees (OAS25-04)	check	3558 · SDCCU Checking
R | Larscor, Inc						
	3/26/2025	46234 · Applications	6,405.00	Processing Fees (CO25-07)	check	3558 · SDCCU Checking
R | Santa Fe Flores LP						
	3/26/2025	46234 · Applications	1,921.50	Processing Fees (OAS25-09)	check	3558 · SDCCU Checking
R | State of California						
	3/26/2025	45281 · State Aid Agriculture	30,661.49	SALC Grant	check	1000 · County Account (44595)
R | Tri Pointe Homes						
	3/26/2025	46234 · Applications	32,665.50	Processing Fees (RO25-08)	check	1000 · County Account (44595)
REVENUE TOTAL			72,461.99			

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

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AGENDA REPORT
Consent | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

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

SUBJECT: **Budget Update for 2024-2025 |**
Third Quarter Actuals with Year-End Projections

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will review a report comparing budgeted and actual amounts through the third quarter of FY 2024-2025 along with related year-end projections. The total budget for the fiscal year – operating and non-operating – is $2.912 million in matching expenses and revenues. The Commission finished the third quarter expending 70% of total budgeted expenses while collecting 91% of total budgeted revenues. Staff projects the Commission will finish the fiscal year generally as expected with a net surplus of $0.080 million or 2.7%. No amendments are proposed at this time. Item is being presented to the Commission to formally accept and file.

BACKGROUND

San Diego LAFCO's adopted budget for FY 2024-2025 totals $2.912 million in matching expenses and revenues. These matching amounts are divided into operating and non-operating units. The total unrestricted balance as of July 1, 2024, was $1.613 million with $0.738 million unassigned.

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Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
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DISCUSSION

This item is for San Diego LAFCO to receive an updated comparison of budget to actual expenses and revenues through the close of the third quarter (March 30, 2025). A detailing of actual expenses and revenues along with projected year-end totals is provided in general ledger format as Attachment One and further discussed below. Item also provides the Commission with the opportunity to pull the item for questions or comments.

Expenses

San Diego LAFCO's budgeted expense total for 2024-2025 is $2.912 million. The amount is divided between $2.428 million in operating and $0.484 million in non-operating units. Total actuals booked through the third quarter total $2.038 million and represents 70% of the budget with 75% of the fiscal year complete. Actuals paired with staff analysis suggest LAFCO is on pace to finish with $2.940 million in total expenses and generate an overrun of ($27,370) or (1%). An expanded discussion on actuals through the third quarter follows.

Operating: Salaries and Benefits

LAFCO has budgeted $1.468 million in salaries and benefits primarily allocated to funding 8.0 fulltime equivalent positions.[1] Actuals through the third quarter total $1.077 million or 73% of the budget. It is expected the year-end actuals will total $1.424 million and generate a unit savings of $0.045 million or 3%, less any amendments.

Operating: Services and Supplies

LAFCO has budgeted $0.959 million in services and supplies with the proceeds largely tied to professional services as well as payments to the County of San Diego for information technology and related support. Actuals through the third quarter total $0.787 million or 82% of the budget. It is expected year-end actuals will total $1.032 million and generate a unit deficit of ($0.073 million) or (8%), less any amendments.

Non-Operating: Miscellaneous

LAFCO has budgeted $0.484 million in non-operating costs to cover debt service and grant payments. Actuals through the third quarter total $0.174 million. It is expected year-end actuals will total $0.484 million as budgeted, less any amendments.

Revenues

San Diego LAFCO's budgeted revenue total for 2024-2025 is $2.912 million. This amount is divided between $2.399 million in operating and $0.513 million in non-operating units. Actual revenues collected through the third quarter total $2.638 million. This amount represents

[1] Other expenses booked in the salaries account include per diems, intern pay, and performance awards.

91% of the budgeted total with 75% of the fiscal year complete. Actuals paired with staff analysis suggest the year-end revenue will total $3.020 million. Should this projection hold, LAFCO will experience an overall budgeted surplus of $0.108 million or 3%.

An expanded discussion on budgeted and actual revenues follows.

Operating: Intergovernmental Fees

LAFCO has budgeted $2.184 million in intergovernmental fees divided between four membership categories based on statutory formula. All budgeted fees have been collected plus an additional $0.111 million involving an inaugural apportionment from the San Diego Unified Port District, resulting in a corresponding unit surplus of 5%.

Operating: Application Charges

LAFCO has budgeted $0.200 million in application charges. Actuals through the third quarter total $0.188 million and represents 94% of the budgeted amount. It is expected year-end actuals will total $0.200 million as budgeted.

Operating: Interest Earnings

LAFCO has budgeted $0.015 million in interest earnings. Actuals through the third quarter total $0.009 million and represents 58% of the budgeted amount. Staff anticipates interest earnings will total $0.012 million and result in an overall unit shortfall of ($0.003 million) or (20%) without amendments.

Non-Operating: Miscellaneous

LAFCO has budgeted $0.513 million in non-operating revenues that involve fund balance usage and anticipated grant payments. Actual revenues through the third quarter total $0.146 million and represents 29% of the budgeted amount. Staff anticipates the full budgeted amount will be collected by the end of the year.

ANALYSIS

Activity through the third quarter shows San Diego LAFCO is generally proceeding as planned relative to budgeted expectations with a year-end net surplus projection of $0.080 million or 2.7%. While proceeding as generally planned, two outliers have developed meriting attention. First outlier involves higher-than-expected professional service expenses, which finished the third quarter at 91% of budget and projected to finish at 122% by the end of the year – a monetary shortfall of ($0.097 million). This overrun directly ties to the need for additional consultant and outside legal services to address evolving and otherwise technical topics involving several municipal service reviews as well as establishing a memorandum of understanding with the San Diego Unified Port District. Second outlier involves collecting an inaugural apportionment payment from the Port District in the amount of $0.110 million. The difference between these two outliers – notably – largely underlies the projected year-end finish and net surplus of $0.080 million.

RECOMMENDATION

It is recommended San Diego LAFCO accept and file the report. 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):
Accept and file the report.

Alternative Two:
Continue to a future meeting and provide direction to staff with respect to any additional analysis or information requested.

PROCEDURES

This item has been placed on the agenda as part of the consent calendar. Accordingly, 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:

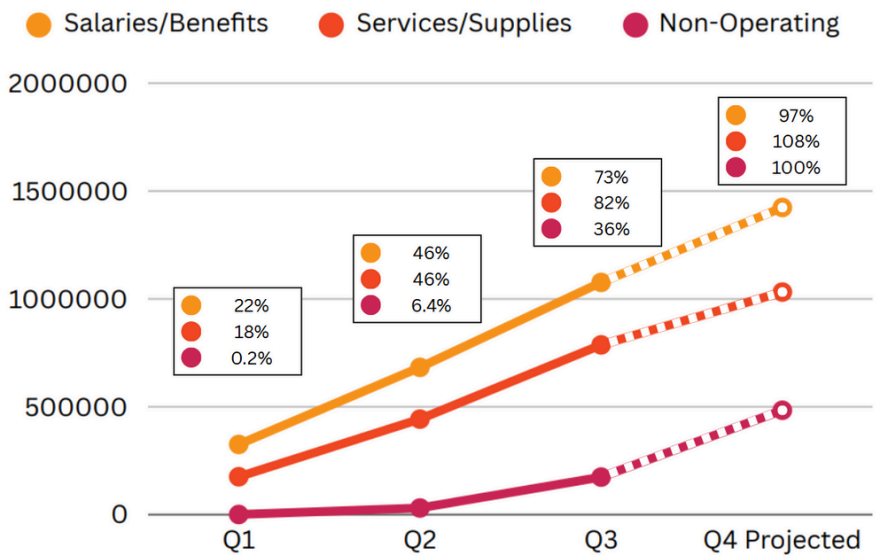
1) Quarter 3 Budget Update Info Sheet
2) Third Quarter Budget Ledger with Year-End Projections

QUARTER 3 BUDGET UPDATE

FY 2024-2025

Expenses

Expense Breakdown per Category (In Dollars)



*percentages denote actual value relative to the final budgeted value

Quarter 3 Overview

LAFCO's total expenses **($2,037,681)** currently sit at 70% of the Adopted Final value. With Operating Expenses and Non-Operational Costs like Grant Award Payments down the line, LAFCO expects to end the year with expenses totaling $2,939,600 - only nominally more than anticipated.

Currently, LAFCO expenses are comprised as follows:

Salaries/Benefits: 52.84%

Services/Supplies: 38.62%

Non-Operating: 8.54%

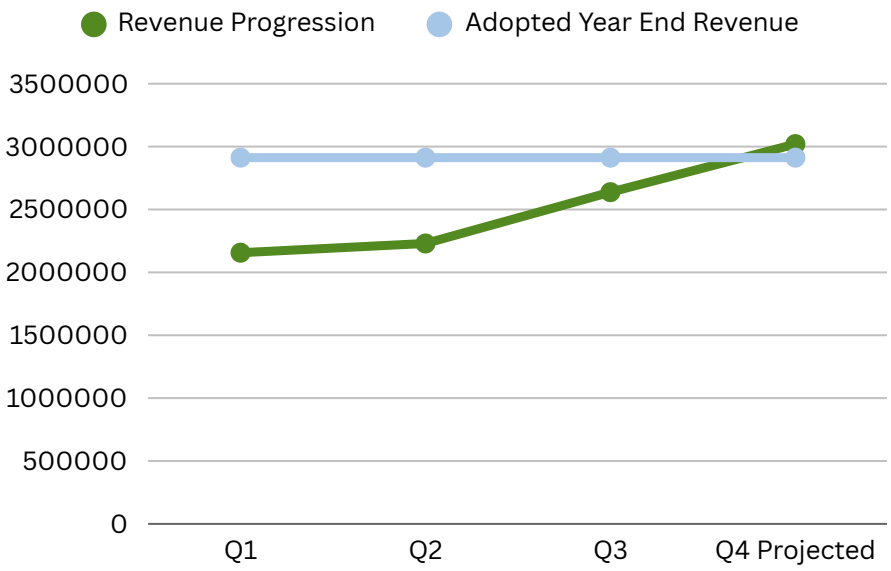
Revenues

Quarter 3 Overview

LAFCO's revenue performance as of Quarter 3 **($2,637,698)** accounts for 91% of the Adopted Final value. This favorable performance aids in a Projected Year End value of $3,020,019, up from the original $2,912,230.

A reason for this higher-than-expected revenue amount may lie in Apportionments from Special Districts amounting to $110,789 more than expected.

Current and Projected Revenues (In Dollars)



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San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

		FY2023-2024			FY2024-2025				
EXPENSES		**Adopted**	**Amended**	**Actuals**	**Adopted**	**Actuals 3rd Quarter**	**% of Budget**	**Projected Year End $**	**Projected Year End %**
Salaries and Benefits Unit									
51110-51310	Salaries and Per Diems	891,455	742,955	715,861	898,906	670,654	0.75	885,589	0.99
51410	Retirement - SDCERA	318,295	318,295	303,876	350,146	266,614	0.76	351,103	1.00
51415	Retirement - OPEB	10,273	10,273	8,779	10,196	6,846	0.67	9,289	0.91
51450	Payroll Taxes	64,840	64,840	51,279	65,044	46,606	0.72	62,292	0.96
51510-51550	Group Insurance	150,033	150,033	96,389	143,481	85,658	0.60	115,199	0.80
51560	Unemployment Insurance	1,000	1,000	258	1,000	272	0.27	363	0.36
		1,435,895	1,287,395	1,176,442	1,468,773	1,076,650	0.73	1,423,834	0.97
Services and Supplies Unit									
52074	Communications	43,824	43,824	37,385	42,299	30,160	0.71	40,214	0.95
52138	General Liability Insurance	12,737	12,737	14,194	14,194	15,599	1.10	15,599	1.10
52178	Vehicle - Maintenance	980	980	2,580	1,000	1,385	1.38	1,385	1.38
52182	Vehicle - Fuel	500	500	539	500	367	0.73	495	0.99
52270	Memberships	28,994	28,994	23,077	38,736	25,168	0.65	25,168	0.65
52304	Miscellaneous	50	50	30	50	10	0.20	10	0.20
52330	Office: General Support	8,211	8,211	9,636	12,380	8,525	0.69	11,366	0.92
52332	Office: Postage USPS	250	250	314	250	439	1.76	600	2.40
52334	Office: Design + Printing	22,500	22,500	17,211	23,000	11,958	0.52	12,000	0.52
52336	Office: Books and Guidelines	-	-	-	-	132	-	132	-
52338	Office: Drafting/Engineering	-	-	-	-	-	-	-	-
52344	Office: Supplies and Furnishings	14,600	14,600	8,348	12,100	11,686	0.97	12,100	1.00
52354	Office: County Mail Services	10,000	10,000	12,401	10,000	6,116	0.61	8,154	0.82
52370	Professional Services	296,170	444,670	518,671	445,767	406,757	0.91	542,343	1.22
52490	Publications and Legal Notices	8,150	8,150	11,221	8,500	10,852	1.28	14,651	1.72
52504	Leases: Equipment	6,600	6,600	3,955	4,500	2,329	0.52	3,105	0.69
52530	Leases: Office Space	144,743	144,743	149,217	154,308	103,960	0.67	154,308	1.00
52550	Special Expenses: County Overhead	40,000	40,000	32,366	33,000	42,970	1.30	57,293	1.74
52562	Special Expenses: New Hire Checks	-	-	198	-	215	-	215	-
52566	Special Expenses: Minor Equipment	-	-	413	-	4,523	-	4,523	-
52602	Computer Training	-	-	-	-	-	-	-	-
52610	Travel and Training | In County	2,700	2,700	5,930	2,700	11,485	4.25	13,000	4.81
52612	Employee Auto	8,700	8,700	8,201	8,700	8,757	1.01	11,000	1.26
52622	Travel and Training | Out of County	15,050	15,050	18,038	15,050	23,262	1.55	23,762	1.58
52721	IT Reimbursements: Network	20,000	20,000	15,553	18,000	13,615	0.76	18,154	1.01
52723	IT Reimbursements: Data Center	33,000	33,000	24,254	30,000	9,180	0.31	12,240	0.41
52725+28	IT Reimbursements: Financial Systems	35,000	35,000	23,984	25,000	13,567	0.54	18,089	0.72
52732	IT Reimbursements: Desktop Computing	28,000	28,000	26,759	30,000	19,730	0.66	26,306	0.88
52734	IT Reimbursements: Help Desk	2,331	2,331	1,632	2,331	1,204	0.52	1,605	0.69
52750	IT Reimbursements: Catalog Equipment	40,000	40,000	5,498	25,000	1,522	0.06	2,030	0.08
52758	Fleet Reimbursements: Vehicle Lease	2,000	2,000	1,986	2,000	1,489	0.74	2,000	1.00
		825,091	973,591	973,591	959,364	786,961	0.82	1,031,848	1.08
	OPERATING EXEPENSE TOTAL	2,260,986	2,260,986	2,150,033	2,428,138	1,863,611	0.77	2,455,682	1.01

EXPENSES CONTINUED...		FY2023-2024			FY2024-2025				
		Adopted	Amended	Actuals	Adopted Final	Actuals 3rd Quarter	% of Budget	Projected Year End $	Projected Year End %
Non Operating Unit									
51421	Debt Service: OPEB Obligation Bonds	34,092	34,092	30,780	34,092	25,439	0.75	33,919	0.99
53585	Equipment Depreciation	-	-	-	-	-	-	-	-
TBD	Grant Award Payments	450,000	450,000	150,462	450,000	148,631	0.33	450,000	1.00
54955-54961	Fixed Assets	-	-	-	-	-	-	-	-
		484,092	484,092	181,242	484,092	174,070	0.36	483,919	1.00
	EXPENSE TOTALS	2,745,078	2,745,078	2,331,275	2,912,230	2,037,681	0.70	2,939,600	1.01

REVENUES		FY2023-2024			FY2024-2025				
		Adopted	Amended	Actuals	Adopted Final	Actuals 3rd Quarter	% of Budget	Projected Year End $	Projected Year End %
Intergovernmental Unit									
45918.1	Apportionments | County	581,074	581,074	581,074	623,997	623,997	1.00	623,997	1.00
45918.2	Apportionments | Cities (less SD)	581,074	581,074	581,074	623,997	623,997	1.00	623,997	1.00
45918.3	Apportionments | City of San Diego	290,639	290,639	290,639	312,108	312,108	1.00	312,108	1.00
45918.4	Apportionments | Special Districts	581,074	581,074	581,074	623,997	734,786	1.18	734,786	1.18
		2,033,861	2,033,861	2,033,861	2,184,098	2,294,887	1.05	2,294,887	1.05
Service Charges Unit									
46234	Application Fees	200,000	200,000	194,596	200,000	188,047	0.94	200,000	1.00
		200,000	200,000	194,596	200,000	188,047	0.94	200,000	1.00
Earnings Unit									
44105	Interest and Dividends	15,000	15,000	19,321	15,000	8,647	0.58	12,000	0.80
		15,000	15,000	19,321	15,000	8,647	0.58	12,000	0.80
	OPERATING REVENUE TOTAL	2,248,861	2,248,861	2,247,777	2,399,098	2,491,581	1.04	2,506,887	1.04
Non-Operating Unit									
TBD	Grant Awards	450,000	450,000	68,882	450,000	146,117	32.5%	450,000	1.00
47540	Transfer from Fund Balance	46,218	46,218	46,218	63,132	-	0.0%	63,132	1.00
		496,218	496,218	115,100	513,132	146,117	28.5%	513,132	1.00
	REVENUE TOTALS	2,745,079	2,745,079	2,362,877	2,912,230	2,637,698	0.91	3,020,019	1.04
Total Net				**31,602**				**80,419**	

LAFCO FUND BALANCE
(unrestricted)

Committed	
… Stabilization	250,000
… Opportunity	500,000
Assigned by EO	125,000
Unassigned	738,310
	1,613,310

5d

AGENDA REPORT
Consent | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

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

SUBJECT: **Progress Report on 2024-2025 Workplan**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a regular progress update on the current adopted fiscal year workplan involving 30 special projects. These projects reflect Commission priorities for 2024-2025 and cover a wide range of directed activities. To date, nearly three-fourths of the projects have been initiated, with six completed and another four nearing completion. Completed items include a municipal service review on the Oceanside region, establishment of a policy guiding public member appointments, and convening scheduled Cities and Special Districts Advisory Committee meetings. It is recommended the Commission formally receive and file this progress report.

BACKGROUND

San Diego LAFCO's current fiscal year workplan was adopted at a noticed public hearing held in May 2024. It includes 30 special projects that are divided into two distinct categories – statutory and administrative – along with priority assignments set by the Commission.

DISCUSSION

This item provides San Diego LAFCO with a regular progress report on special projects approved as part of the 2024-2025 workplan for formal filing with the opportunity to pull for

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discussion. As of date, almost three-fourths of all projects have been initiated with ten complete or nearing completion. These two latter categories involve all of the following:

- **Projects Completed to Date**
  Municipal Service Review on the Oceanside Region
  Filling Budgeted Staff Openings
  Annual Local Agencies Directory
  Policy Establishment on Public Member Appointments
  Special Districts Advisory Committee Meetings
  Cities Advisory Committee Meetings

- **Projects Nearing Completion**
  Transition to Online-Cloud Accounting Software
  Policy Establishment on Accounting Procedures
  Custom Project Management Tracker
  Policy Review: Special Districts Advisory Committee Bylaws

A full listing of all projects, along with their current statuses — ranging from pending to complete — is detailed in Attachment One. A copy of the five-year rolling study schedule is also provided for reference as Attachment Two.

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 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 as provided unless otherwise specified by the Commission.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachments:

1) 2024-2025 Workplan Status
2) Five-Year Rolling Study Schedule

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ADOPTED WORKPLAN FOR FY2024-2025
Status as of April 22, 2025

Priority	Level	Type	Project	Description	Status
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	
1a	High	Statutory	MSR | Wholesale Water Service Providers	Service-specific MSR on wholesale water suppliers – CWA (comprehensive) + MET (abbreviated)	
1b	High	Statutory	MSR | Healthcare Districts: Part I	Service-specific MSR of the four healthcare districts in San Diego County	
3	High	Statutory	MSR | SANDAG	Agency-specific MSR of SANDAG (housing, transportation, + climate adaption)	
4	High	Administrative	Transition to Online Accounting	Complete transition to QuickBooks accounting from desktop to online platform	
5	High	Statutory	MSR | North Coast Region – Part I	Regional-specific MSR for north coast – cities phase (Carlsbad and Encinitas)	
6	High	Administrative	SALC Planning Grant 2.0	Complete multi-year grant to inform + enhance small farming operations in San Diego County	
7	High	Administrative	RCD Ad Hoc Committee: Part II	Complete second part of RCD true ups; boundaries	
8	High	Statutory	MSR | Central 78 Corridor Region: Part I	Regional-specific MSR for central 78 corridor – cities phase (San Marcos + Vista)	
9	High	Statutory	MSR | Central 78 Corridor Region: Part II	Regional-specific MSR for central 78 corridor – districts phase (San Marcos and Vista FPDs, Vista ID, etc.)	
10	High	Administrative	Policy Review | Audit and Accounting	Prepare update to modernize and expand audit + accounting policies; address auditor recommendations	
11	High	Statutory	MSR | Oceanside Region MSR	Complete regional MSR on Oceanside (City of Oceanside, Oceanside SCHD + Morro Hills CSD)	
12	Medium	Administrative	Staffing and Professional Development	Fill all 8.0 budgeted positions + establish ongoing training	
13	Medium	Administrative	Policy Review | Personnel: Part III	Prepare update to modernize and harmonize all LAFCO job descriptions	
14	Medium	Administrative	Custom Project Management Tracker	Work with outside consultant to develop and implement custom online project tracking platform	
15	Medium	Statutory	Special Districts Advisory Committee	Provide administrative support to the SDAC and hold no less than three formal meetings in FY	
16	Medium	Administrative	White Paper | Homeless Services	Evaluate the scope-scale of governmental homeless services in SD County + potential governance options	
17	Medium	Statutory	Cities Advisory Committee	Provide administrative support to the CAC and hold no less than two formal meetings in FY	
18	Medium	Statutory	MSR | North Coast Region – Part II	Regional-specific MSR for north coast – Part II cover districts (Carlsbad MWD, Leucadia WD, et al.)	
19	Medium	Administrative	Prepare Outside Audit + Enhancements	Complete outside audit of financial statements for FY24 with supplemental information for added value	
20	Medium	Statutory	MSR | Del Mar-Solana Beach Region	Complete regional MSR covering the Cities of Del Mar and Solana Beach + Santa Fe ID et al.	

Priority	Level	Type	Project	Description	Status
21	Low	Administrative	Website Refresh + Content Expansion	Proceed with a website refresh and context expansion with multi-media adds	
22	Low	Administrative	Annual Local Agency Directory	Update and publish annual local agency directory subject to LAFCO oversight	
23	Low	Statutory	Policy | Applicant Procedures	Update and streamline application materials and establish related protocols	
24	Low	Administrative	Establish Credit Card Payments	Establish processes and related rules to accept card payments for applicant proposals	
25	Low	Statutory	Legislative Proposal | G.C. 56133	Sponsor/facilitate amendment to clarify LAFCOs' authority to determine out-of-agency exemptions in (e)	
26	Low	Administrative	Policy Review | SDAC Bylaws	Coordinate with SDAC in updating bylaws to sync with current member interests/priorities	
27	Low	Administrative	White Paper | Public Recreation Opportunities	Evaluate potential governance models involving San Diego-owned reservoirs in unincorporated areas	
28	Low	Administrative	Liaison with Local Tribes	Establish communication protocols with local tribes with respect to shared interests in regional services	
29	Low	Administrative	Service + Fiscal Indicators	Develop online browser feature to depict service + fiscal indicators among local agencies in SD County	
30	Low	Administrative	Policy Review | Public Member Appointments	Establish local policies and procedures to guide recruitment, vetting, and selection of public members	
Bullpen		Statutory	Legislative Proposal | G.C. 56430	Sponsor and/or facilitate amendment establishing community engagement enhancements in MSR statute	
Bullpen		Statutory	Policy Review | Island Annexations	Consider options to define "substantially surrounded" and provide related mapping services	
Bullpen		Administrative	White Paper | Garbage Services	Evaluate the scope and scale of garbage collection services and possible governance alternatives	
Bullpen		Administrative	LAFCO Workshop	Organize a Commission Workshop to discuss core responsibilities + powers and implementing preferences	
Bullpen		Administrative	Public Access Television	Broadcast LAFCO meetings on local government channels	
Bullpen		Statutory	MSR | Pauma Valley Region	Initiate a regional study covering the north county special districts in the Pauma/Rincon communities	
Bullpen		Administrative	SOI/MSR Annual Report	Update and publish an annual report documenting all recorded municipal service review and sphere of influence actions	
Bullpen		Statutory	Policy | Fee Schedule	Review and update fee schedule to sync with current costs and related considerations	
Bullpen		Statutory	Policy | CEQA Guidelines	Review and update existing implementing guidelines relative to current statute and best practices	
Bullpen		Administrative	County Planning Groups	Monitor regular meetings of the County's 28 Planning and or Sponsor Groups and directly engage as appropriate	
Bullpen		Statutory	Disadvantaged Unincorporated Communities	Update DUC mapping designations (DUC) in San Diego County based on current census information	
Bullpen		Administrative	Local Agency Finder Tool	Develop online feature for users to enter address to identify all overlapping local jurisdictions (cities and districts)	
Bullpen		Administrative	Southern California LAFCOs	Participate in quarterly meetings with other Southern California LAFCOs and related projects and/or trainings	
Bullpen		Administrative	White Paper | School Districts	Evaluate scope and scale of school districts and their baseline capacities for reference in municipal service reviews	
Bullpen		Administrative	CALAFCO	Participate in CALAFCO sponsored programs and related trainings (conferences, workshops, committees, etc.)	
Bullpen		Statutory	Policy | Commission Rule No. 4	Modernize Rule No. 4 and its provisions to regulate special districts' service functions and classes	
Bullpen		Statutory	Escondido Region Governance Study	Study options to consolidate (functional and political) the City of Escondido and Rincon del Diablo MWD	
Bullpen		Administrative	White Paper | JPAs	Evaluate the status of JPA filings in San Diego County relative to LAFCO's task in SB 1261	
Bullpen		Administrative	White Paper | Community Choice	Evaluate the scope and scale of CCAs and their operations in San Diego County and connectivity to LAFCO	
Bullpen		Statutory	Policy | Cities Advisory Committee	Coordinate with CAD in updating bylaws and related procedures to sync with current member interests/priorities	

Complete | Near Complete | Underway | Pending

Commission Rolling Study Schedule 5-YEAR PLAN

FY2025 Through FY2029

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.



Otay Lakes in Chula Vista ▶

San Diego LAFCO's Commission

San Diego LAFCO is governed by a 13-member "Commission" comprising county, city, special district, and public members. All Commissioners are appointed elected officials with the exception of the two public members. Commissioners serve four–year terms and divided between "regulars" and "alternates" and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. Commissioners are subject to standard disclosure requirements and must file annual statements of economic interests. The Commission has sole authority in administering its legislative responsibilities and decisions therein are not subject to an outside appeal process.



Stephen Whitburn
Chair
City of San Diego



Baron Willis
Vice Chair
Alpine Fire Protection



Joel Anderson
Commissioner
County of San Diego



Kristi Becker
Commissioner
City of Solana Beach



Jim Desmond
Commissioner
County of San Diego



Jo MacKenzie
Commissioner
Vista Irrigation



Harry Mathis
Commissioner
Public Member



Dane White
Commissioner
City of Escondido



Brigette Browning
Alternate
Public Member



David Drake
Alternate
Special District Member



John McCann
Alternate
City of Chula Vista



Nora Vargas
Alternate
County of San Diego



Marni von Wilpert
Alternate
City of San Diego

2024-2025 + 2025-2026: SET

NORTH COUNTY FOCUS

Carlsbad + Encinitas Region

- **Part I: Cities**
  - City of Carlsbad
  - City of Encinitas
- **Part II: Special Districts**
  - Carlsbad MWD
  - Leucadia WWD
  - Olivenhain WD
  - San Dieguito WD

Central 78 Corridor Region

- **Part I: Cities**
  - City of San Marcos
  - City of Vista
- **Part II: Special Districts**
  - Vista ID
  - Buena SD
  - Vallecitos WD
  - San Marcos FPD
  - Vista FPD

San Diego County Healthcare Districts

- **Part I: Macro + Part II: Micro**
  - Palomar HD
  - Tri-City HD
  - Fallbrook HD
  - Grossmont HD

Del Mar + Solana Beach Region

- **Part I: Cities**
  - City of Del Mar
  - City of Solana Beach
- **Part II: Special Districts**
  - Santa Fe ID
  - CSA 17 – Ambulance*

Oceanside Region

- City of Oceanside
- Morro Hills CSD
- Oceanside Harbor District

Wholesale Water Services

- San Diego County Water Authority
- Metropolitan Water District

Council of Governments

- San Diego Association of Governments (SANDAG)

*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.

2026-2027: TENTATIVE

SOUTHWEST COUNTY FOCUS

Macro Fire Service Study

- State: CAL FIRE
- Cities
- Special Districts
- Tribes

Metro San Diego Region

- City of San Diego
- San Diego Unified PD

Rancho Santa Fe Region

- Fairbanks Ranch CSD
- Questhaven MWD
- Rancho Santa Fe CSD
- Rancho Santa Fe FPD
- Whispering Palms CSD
- CSA No. 17 – Ambulance*
- CSA No. 83 – San Dieguito Parks

Silver Strand Region

- City of Coronado
- City of Imperial Beach

South Coast Region

- City of Chula Vista
- City of National City
- Bonita-Sunnyside FPD
- Lower Sweetwater FPD
- Otay WD*
- San Diego County SD*
- South Bay ID
- CSA No. 122 – Planning

Transit Services

- North County TD
- Metropolitan Transit System

*Denotes a special district included in more than one study.



2027-2028: TENTATIVE

EAST COUNTY FOCUS

Alpine – Lakeside Region

- Alpine FPD
- Lakeside FPD
- Lakeside WD
- Padre Dam MWD*
- San Diego County SD*
- CSA No. 69 – Ambulance
- CSA No. 136 – Sundance Basin

El Cajon – Santee Region

- City of El Cajon
- City of Santee
- Helix WD*
- Padre Dam MWD*

Pauma Valley Region

- Mootamai MWD
- Rincon Ranch CSD
- Pauma CSD
- San Luis Rey MWD
- Yuima MWD

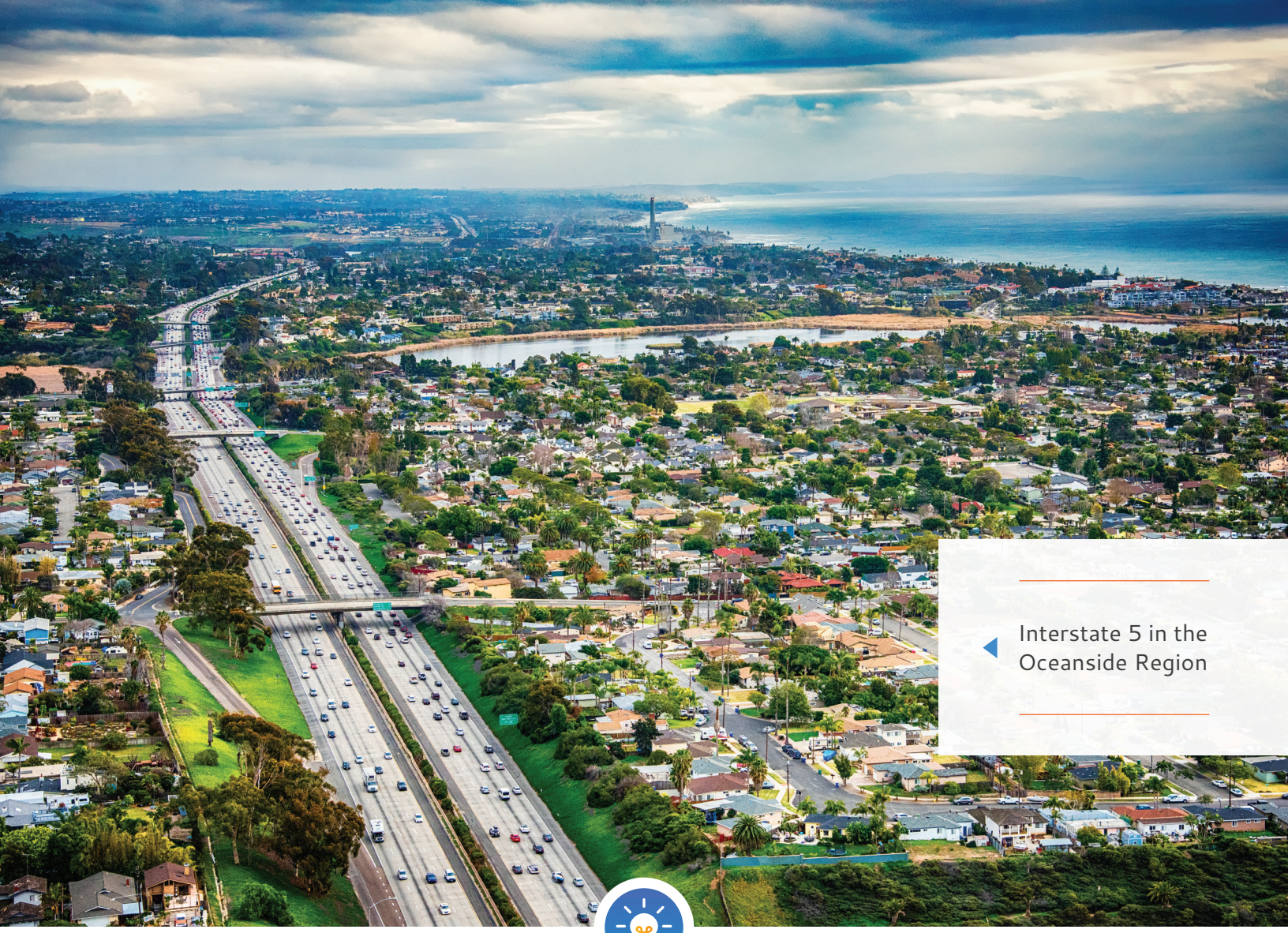
La Mesa – Lemon Grove Region

- City of La Mesa
- City of Lemon Grove
- Helix WD*
- Lemon Grove Roadway LD
- Lemon Grove SD
- San Diego County SD*

Spring Valley Region

- Otay MWD*
- San Miguel FPD
- San Diego County SD*
- CSA No. 69 – Ambulance*
- CSA No. 128 – Parks

*Denotes a special district included in more than one study.



Interstate 5 in the Oceanside Region

2028-2029: TENTATIVE

MISCELLANEOUS

Borrego Region

- Borrego WD
- Coachella Valley WD

Cemetery Services

- North County CD
- Pomerado CD
- Ramona CD
- Valley Center CD

Flood Control Services

- San Diego County FCD
- Cities
- Special Districts

Alpine – Lakeside Region

- Alpine FPD
- Lakeside FPD
- Lakeside WD
- Padre Dam MWD*
- San Diego County SD
- CSA No. 69 – Ambulance
- CSA No. 136 – Sundance Basin

East Laguna Summit Region

- Canebrake WD
- Descanso WD
- Jacumba CSD
- San Diego County SD*
- CSA No. 137 – Live Oak Springs

San Diego County Airports

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

5e

AGENDA REPORT
Consent | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

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

SUBJECT: **Proposed "Biermann-N. Ash Street Reorganization" | Annexation to the City of Escondido and Related Actions (RO24-17)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a reorganization proposal initiated by landowner petition with the principal action to annex 0.81 unincorporated acres to the City of Escondido. The affected territory as submitted is presently developed with a 2,143 square-foot single family residence at 2174 North Ash Street and identified by the County of San Diego Assessor's Office as 224-141-33. The reorganization also includes a concurrent detachment from County Service Area No. 135 and its regional service communications function as well as exclusion from Rincon del Diablo Municipal Water District's Improvement District E. Staff recommends conditional approval of the proposal as submitted. It is also recommended the Commission waive protest proceedings and find the project is exempt under CEQA Guidelines Section 15319.

BACKGROUND

Applicant Request

San Diego LAFCO has received a proposal initiated by landowner petition (Mitch Biermann) requesting approval to reorganize 0.81 acres of unincorporated territory with the principal action to annex to the City of Escondido. The affected territory as submitted comprises one parcel presently developed with a 2,143 square-foot single-family residence with a situs address of 2174 North Ash Street (224-141-33). The residence was built in 1968 and is presently

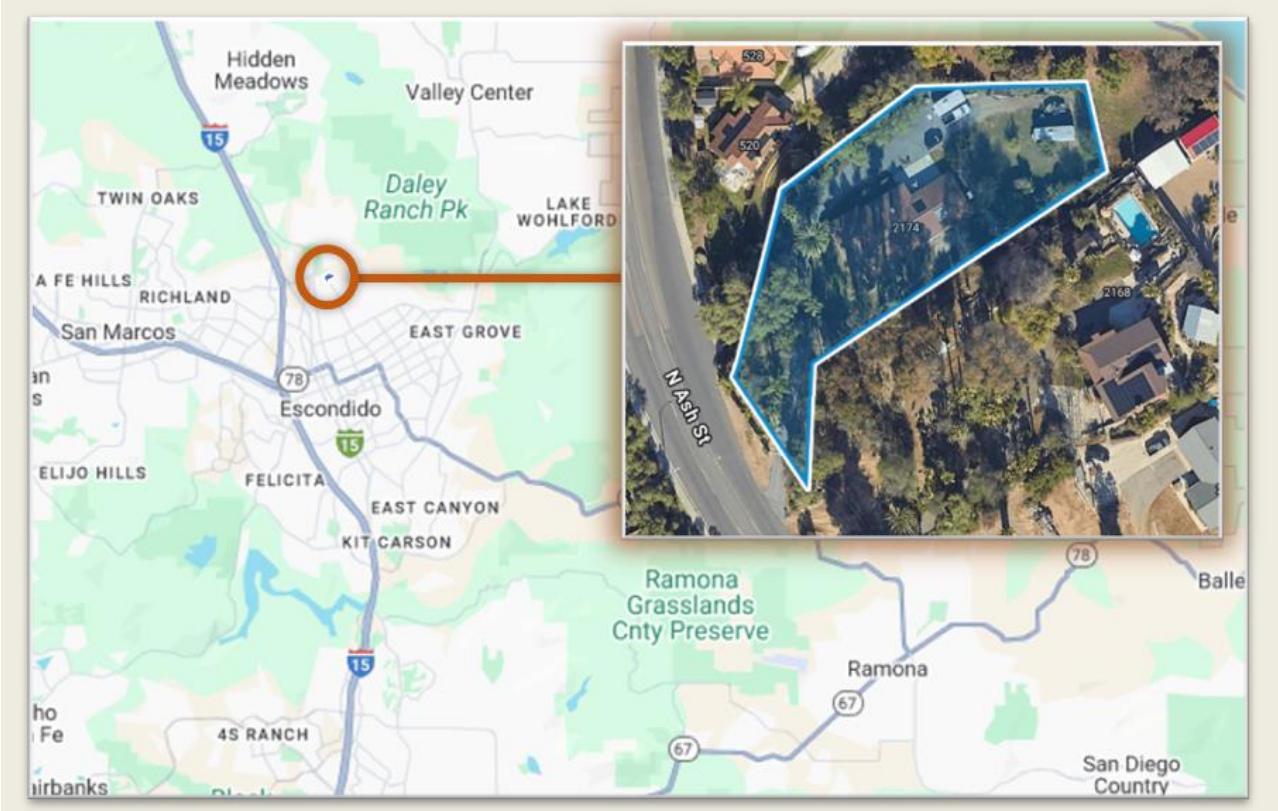
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Chair Stephen Whitburn, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Vacant, General Public
Brigette Browning, Alt., General Public

on septic. The reorganization also includes concurrent detachment from the County Service Area No. 135 (CSA 135) and its regional service communications function as well as exclusion from Rincon del Diablo Municipal water District's (MWD) Improvement District E (ID-E) and its fire service zone.

Regional Setting

The affected territory is located within an unincorporated island in the northern portion of the City of Escondido's "North Broadway" neighborhood which generally lies east of Interstate 15 and north of State Route 78. The affected territory lies within County Supervisorial District No. 5 (Jim Desmond), Assembly District No. 76 (Darshana Patel), and Senate District No. 40 (Brian W. Jones). An aerial map of the affected territory and its regional setting follows with a more detailed map – including the existing parcel and jurisdictional boundaries – provided as Attachment One.



Subject Agencies

The proposed reorganization filed with San Diego LAFCO involves two subject agencies: the City of Escondido and CSA No. 135.[1] A summary of the subject agencies 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.

- **City of Escondido** was incorporated in 1888 as a general-law municipality with an existing estimated resident population of 150,900. Escondido spans 23,989 acres or 37.5 square miles and bordered by the unincorporated community of Valley Center to the north and east, the Cities of San Diego and Poway to the south, and the City of San Marcos to the west. Escondido is a full-service municipality and headlined by directly providing community planning, fire protection, parks and recreation, police protection, wastewater, and water services with the latter – water – geographically limited and supplemented by other special districts within City limits. LAFCO last reviewed and updated Escondido's sphere in 2022 with a larger-than-agency designation that includes several unincorporated areas. Escondido's most recent audit shows its net position – i.e., the total accrual accounting value of agencywide assets less liabilities – at $606.1 million as of June 30, 2024. The overall amount reflects an increase of 15% over the last three years. The unrestricted portion of the net position totals ($92.9 million) and adjusts to $131.6 million less booked pension funds. The adjusted unrestricted portion reflects an increase of 33% over the last three years. Escondido's General Fund separately totals $73.8 million and marks a 20.8% improvement over the last three years. Of this General Fund balance, $17.4 million is committed as reserves with another $12.7 million left as unassigned. The combination of these latter amounts totals $30.1 million and sufficient to cover 2.17 months of general fund operating expenses.

- **CSA No. 135** is a dependent special district of the County of San Diego encompassing 3,740 square miles and includes all unincorporated lands as well as 10 of the 18 cities in San Diego County. CSA No. 135 was formed in 1994 to provide public safety radio communications through a funding agreement with a third-party (Regional Communication Systems, LLC) and involves operating an 800-megahertz system. Administration of this municipal function is provided by County Sheriff. The current estimated resident population within CSA No. 135 is 1,065,629. LAFCO established a sphere of influence in 1994 coterminous to San Diego County. The sphere was last reviewed and affirmed in 2020. The County's most recent audit shows its net position at $4.88 billion as of June 30, 2024. The overall amount reflects an increase of 20.1% over the last three years. The unrestricted portion of the net position totals ($1.44 billion) and adjusts to $2.98 billion less booked pension funds. The adjusted unrestricted portion reflects an increase of 30.9% over the last three years. The County's General Fund separately tallies $3.00 billion and marks a 27.6% improvement over the last three years. The spendable portion (committed, assigned, or unassigned monies) equals $1.90 billion and sufficient to cover 3.91 months of recent actual General Fund expenses.

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 reorganization and are listed below.[2]

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 and hearing were provided to the agencies.

- County Service Area No. 135 (Regional Communications)
- Metropolitan Water District of Southern California
- North County Cemetery 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 Elementary School District; Escondido Union High School District; Palomar Community College District.

DISCUSSION

This item is for San Diego LAFCO to consider approving – with or without discretionary modifications – the reorganization proposal and its principal action to annex the affected territory to the City of Escondido. The Commission may also consider applying approval conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion on purpose, current and planned land uses, and Commission focus follows.

Proposal Purpose

The purpose of the proposed reorganization to annex the affected territory to the City of Escondido is to establish public wastewater services in the affected territory and in doing so facilitate a lot split and accommodate the planned development of an additional single-family residence and two accessory dwelling units (ADUs).

Current and Planned Land Uses

The affected territory is presently unincorporated and under the land use authority of the County of San Diego and its adopted policies. Specific development policies for the affected territory are delegated in the County's Hidden Meadows Community Plan under the Semi-Rural General Plan Regional Category. The County also zones the affected territory as Single-Family Residential (RS) with a 1.0-acre minimum lot size. The existing single-family residence within the subject parcel conforms to these County land use policies. The City of Escondido General Plan separately designates the affected territory as Estate II with a pre-zoning assignment of Residential Estate – 20 (RE-20), which prescribes a 0.5-acre minimum lot size. (State law would prohibit Escondido from making a change to this zoning assignment for the first two years post annexation with limited exceptions). This pre-zoning assignment allows for additional density development within the affected territory post annexation

given the subject lot is 0.81 acres in size. Additional intensity would also be permitted by the City of Escondido via a lot split to allow for the construction of an additional single-family residence and two accessory dwelling units within each corresponding lot.

Commission Focus

San Diego LAFCO's current sphere of influence designation for the City of Escondido includes the affected territory and can readily accommodate the proposed annexation without amendment. Similarly, the current sphere of influence designation for CSA No. 135 is countywide and amendments have not been made by practice to exclude detached territory. These existing sphere determinations narrows the Commission's consideration of the proposed reorganization to two central and sequential policy items. These policy items ultimately take the form of determinations and orient the Commission to consider the stand-alone merits of the (a) timing of the reorganization and (b) whether discretionary modifications or terms are appropriate. The Commission must also consider other relevant statutes in and outside LAFCO law as detailed.

ANALYSIS

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

Central Policy Items

Item No. 1 | Reorganization Timing

San Diego LAFCO's consideration of the proposed reorganization's timing draws on analyzing baseline factors required in statute as well as applicable policies set by the Commission.[3] 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 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,

[3] 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).

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 subject agencies. A summary of key conclusions generated in reviewing these discretionary matters for the proposed reorganization with an emphasis on the receiving entity (City of Escondido) regarding (a) service needs, (b) service availability and capacities, and (c) related financial considerations follow.

- With respect to **service needs**, the present and relatively dense residential land uses of the affected territory merits organized public services and would be aided by the reorganization and annexation to Escondido and its ability to provide a range of urban-supporting services. The Commission has previously designated Escondido as the appropriate future land use authority and primary service provider for the affected territory through standing inclusion in the City's sphere.

- With respect to **service availability and capacities**, Escondido would directly assume most municipal service responsibilities for the affected territory upon reorganization and highlighted by providing the following core functions: community development; wastewater; integrated fire protection and emergency medical; and police protection. (Other key municipal service functions that would continue to be provided to the affected territory post reorganization include water by Rincon del Diablo MWD and public transportation by North County Transit District). Additional details on these core Escondido functions and relationship – availability and capacity – with the affected territory follows.

  Escondido would assume community planning responsibilities for the affected territory from the County of San Diego as part of the reorganization. The transition is contemplated in the Escondido General Plan (2012) and further prescribed by the City pre-zoning the subject lot as RE-20.

  Escondido would assume wastewater service responsibilities for the affected territory upon reorganization. Escondido has existing wastewater infrastructure within an existing wastewater easement on North Ash Street and can readily serve the affected territory through the extension of an approximate 30-foot lateral connection. It is estimated the current average day wastewater flow generated within the affected territory via its one existing residential unit is 250 gallons. It is projected the maximum average day wastewater flow generated within the affected territory post reorganization is 1,000 gallons with the allowance of an additional single-family residence and two accessory dwelling units. This projected amount can be readily accommodated by the City of Escondido and represents 0.018% of its available treatment capacity remaining within its sewer system.[4]

[4] Escondido's existing average day wastewater flow is 12.5 million gallons, which equals 69.4% of overall capacity at its Hale Avenue Resource Recovery Facility.

Escondido would formally assume integrated fire protection and emergency medical service responsibilities for the affected territory. This change would have no material impact on service levels given Escondido is the existing contract provider for Rincon del Diablo MWD (via its Improvement District E). First-response would be provided from Escondido's Station No. 7, located at 1220 N Ash Street. Response times to the affected territory are estimated to be less than 4 minutes for priority calls and non-priority calls. Response times to the affected territory would fall within the City's response time standard of 7.5 minutes for urban areas.

Escondido would formally assume police protection responsibilities from the County of San Diego as part of the reorganization. This change would have no material impact on service levels given Escondido's automatic aid agreement with the County Sherriff already commits the City to serve as first responder for all high proximity calls for the region given its proximity to City resources.

- With respect to **related financial considerations,** staff analysis shows the City of Escondido has financial resources and administrative controls to readily assume a full range of municipal service responsibilities to the affected territory in support of its existing and planned uses without significant adverse impacts. This macro comment considers the relatively limited scale of the proposed annexation to Escondido paired with acknowledging recent City stresses due to escalating resources requiring redirection to cover pension costs. Escondido, nonetheless, finished with positive total margins in each of the last three completed fiscal years with a period average of 5.1% ending in June 2024.

- 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 the City of Escondido, CSA No. 135, or the County of San Diego through the administrative review with LAFCO. Similarly, LAFCO staff has not identified any disputes or related concerns in the administrative review.

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

**CONCLUSION |
MERITS OF REORGANIZATION TIMING**

Timing of the reorganization and principal action to annex the affected territory to the City of Escondido is sufficiently warranted. Justification is marked by the preceding analysis and highlighted by formally satisfying a need for permanent wastewater services to accommodate otherwise planned and orderly housing. Additional analysis supporting the conclusion is provided in Appendix A.

**Item No. 2 |
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 annexation of the affected territory to the City of Escondido would not generate any corridors or otherwise illogical jurisdictional features. Standard terms are appropriate along with the condition the landowner consent to the formal removal of the subject parcel from Rincon del Diablo MWD's Improvement District-E with related authorization for LAFCO staff to process the change with the County Auditor and State Board of Equalization.

**CONCLUSION |
MODIFICATIONS AND TERMS**

No modifications to the proposal appear warranted. Standard approval terms are recommended and include receipt of all remaining payments associated with the processing of the proposal by the Commission through recordation. This also includes requiring the landowner/applicant to consent to the removal of the subject parcel from Rincon del Diablo MWD's Improvement District E along with any related authorizations.

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. Staff has confirmed with the City of Escondido and County of San Diego to apply an existing master agreement to govern the tax exchange for the proposed reorganization. This master agreement specifies Escondido shall receive 36% of the County's existing apportionment of the 1% property tax collected within the affected territory going forward. The estimated annual value of the exchange is currently $2,412 based on current

assessed values (land and structures).[6] There are no property taxes to be exchanged with respect to the detachment from CSA No. 135.

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.

- San Diego LAFCO serves as lead agency under CEQA for assessing potential environmental impacts of the proposed reorganization proceedings to annex the affected territory to the City of Escondido given it has been initiated by a landowner. Staff believes the reorganization proposal 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. Staff believes this exemption appropriately applies given its accommodation of new construction of up to three new single-family residences in an urbanized residential zone.

- San Diego LAFCO serves as lead agency under CEQA for considering the secondary action associated with the reorganization to detach the affected territory from CSA No. 135 and its regional communications service function. Staff believe the detachment is a project under CEQA but qualifies for exemption under CEQA Guidelines Section 15320. This exemption appropriately applies given the subject service – regional communications – will be entirely transferred and assumed by Escondido without any material changes to the scope, scale, or adequacy of services.

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 under this statute given the affected territory is uninhabited as defined under LAFCO law (i.e., less than 11 voters); the subject agency has not filed an objection to the waiver; and the landowners have consented to the underlying action.[7]

RECOMMENDATION

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

[6] The current 1% property tax received by the County from the subject lot is $6,700.00
[7] LAFCO law defines uninhabited as territory in which less than 11 registered voters reside.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO:

Alternative One (recommended):
Adopt the attached draft resolution conditionally approving the reorganization proposal as submitted. Additionally, waive protest proceedings and make exemption findings as detailed under CEQA.

Alternative Two:
Continue consideration to the next regular meeting.

Alternative Three:
Disapprove the reorganization 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,

Meghan Traynor
Analyst I

Appendices:

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 0.81-acre area adjacent to the City of Escondido. The subject parcel is currently developed with a single-family residence located at 2174 North Ash Street and identified by the County of San Diego Assessor's Office as 224-141-33 with a current assessed *land* value (land and structures) of $670,000 with the last transaction recorded in March 2024.

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 Escondido would assume the primary role in providing core municipal service functions for the affected territory if the reorganization is approved. This would include the need and related provision of community planning, wastewater, fire protection and emergency medical, and police protection. (Potable water service to the affected territory would continue to be provided by Rincon del Diablo MWD). A summary of the existing adequacy of these core services follows.

- Escondido would assume community planning responsibilities for the affected territory from the County of San Diego as part of the reorganization. This transition is explicitly contemplated in the Escondido General Plan (2012) and further prescribed by the City pre-zoning the subject lot as Residential Estate 20 (RE-20).

- Connection to Escondido's wastewater system area can be made readily available through the extension of an approximate 30-foot private lateral connection within an existing wastewater easement on North Ash Street. It is projected the maximum average day wastewater flow generated within the affected territory post reorganization and planned uses is 1,000 gallons and tied to accommodating the existing single-family residence and the potential second single-family residence and two accessory dwelling units. This projected amount can be readily accommodated by the City of Escondido and represents 0.018% of its available treatment capacity remaining within its wastewater system.

- Escondido would formally assume integrated fire protection and emergency medical service responsibilities for the affected territory. This change would have no material impact on service levels given Escondido is the existing contract provider for Rincon del Diablo Municipal Water District (via its Improvement District E). First-response would continue to be provided from Escondido's Station No. 7, located down the street from the affected territory at 1220 North Ash Street. Response times to the affected territory would fall within the City's response time standard of 7.5 minutes for urban areas.

- Escondido would formally assume police protection responsibilities from the County of San Diego as part of the reorganization. This change would have no material impact on service levels given Escondido's automatic aid agreement with the County Sheriff which already commits the City to serve as first-responder for all high priority calls for the region given its proximity to the City boundary.

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 and annexation therein to the City of Escondido would reflect and strengthen existing economic and social ties between the City and the affected territory. These existing social and economic ties are relatedly reflected in the Commission's standing inclusion of the affected territory within Escondido's sphere of influence.

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 reorganization and annexation to City of Escondido would facilitate the orderly expansion of the City's jurisdictional boundary consistent with the sphere of influence. The affected territory does not contain "open space" as defined under LAFCO law and no conflicts exist under Government Code Section 56377.

Additional analysis concerning conformance with germane Commission policies follows.

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

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

The affected territory does not contain "prime agricultural land", or "agricultural land" as defined under LAFCO law. Specifically, the affected territory does not contain lands currently used for any of the following purposes: producing an agricultural commodity for commercial purposes; left fallow under a crop rotational program; or enrolled in an agricultural subsidy program. Approval of the proposal and annexation to Escondido would not adversely affect the physical or economic well-being of agricultural lands.

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

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

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

The proposed reorganization would extend wastewater service to accommodate a planned lot split and construction of an additional single-family residence and two accessory dwelling units consistent with City 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 unincorporated territory is presently designated by the City of Escondido for Residential Estate II and is pre-zoned as RE-20, which prescribes a minimum parcel size of 0.5 acres. The existing and planned residential uses are consistent with the proposal's purpose to annex the affected territory into the City of Escondido and accommodate existing and planned urban uses going forward.

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 City of Escondido.

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

Notice of the submitted 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. No written comments on the proposal were received ahead of preparing this agenda report for distribution on April 28, 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 the City of Escondido has overall sufficient and available financial resources and administrative controls therein relative to serving the affected territory without adversely impacting existing constituents. This statement is supported by the following factors.[8]

- Escondido's last outside audit covers 2023-2024 and shows the City finished with sufficient liquidity levels with an agency-wide current ratio of 6.14 to 1 (i.e., $6.14 in current assets for every $1.00 in current liabilities).

- Escondido finished 2023-2024 with low capital levels and marked by a high debt ratio of 97.0% (i.e., $97.00 out of every $100.00 in net assets are financed).

- Escondido finished 2023-2024 with an overall total margin of 6.8%.

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 Rincon del Diablo MWD for water service. 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.

[8] The City overall has been maintaining positive total margins over the last three years, though it should be noted the City ended with low capital levels for all three years, (i.e., 97% debt-to-net ratio in 2023-2024).

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 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 reorganization 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 4th percentile with an internal range between 0 and 56 percentiles. Two pollution burden measurements exceed the 50th percentile and are considered noteworthy. These measurements are relative to Air Quality and include Ozone and Diesel PM.

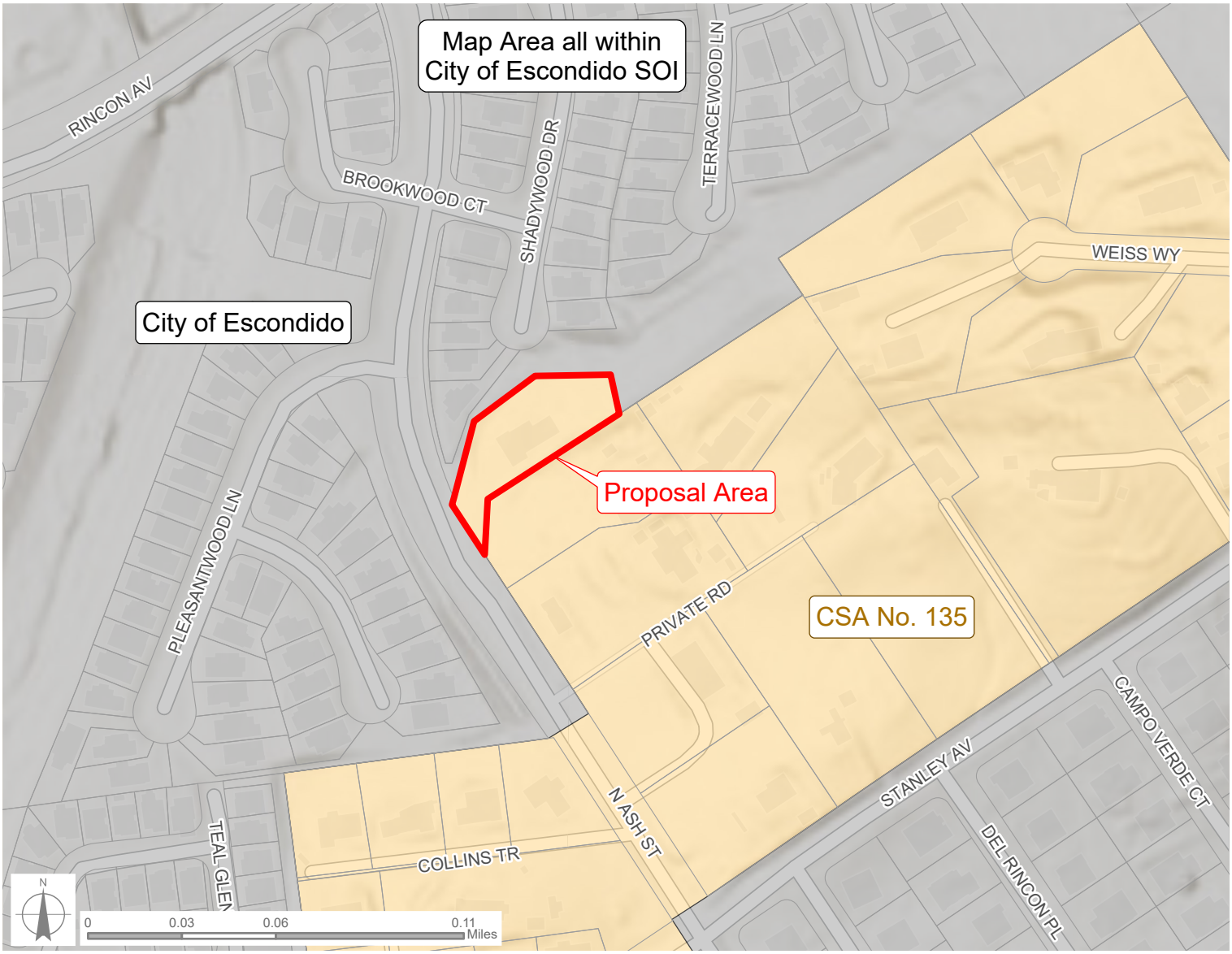
- The affected territory's **composite susceptible population** ranking falls in the 20th percentile with an internal range between 0 and 58 percentiles. Two of these at-risk groups exceed the 50th percentile and include Low Birth Rate and Education.

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

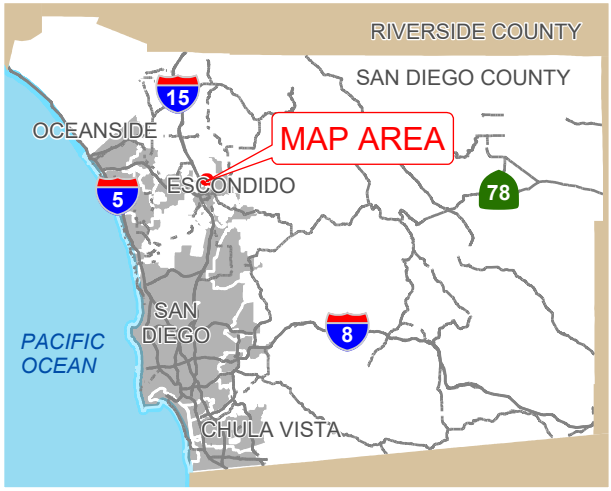
Census Tract No. 6073013605 Pollution Burdens and Susceptible Population (Source: California Environmental Protection Agency and SD LAFCO)	
	Affected Territory + Surrounding Lands
Census Tract No.	6073020107
Estimated Population	3,923
Pollution Burden	Weighted Percentile
… Percentile	4.84
Indicator | Air Quality: Ozone	**55.38**
Indicator | Air Quality: PM 2.5:	13.79
Indicator | Air Quality: Diesel PM:	**55.92**
Indicator |Pesticides:	20.14
Indicator | Toxic Releases:	11.62
Indicator |Traffic:	12.41
Indicator | Drinking Water Contaminants:	35.31
Indicator | Lead in Housing:	41.21
Effects | Cleanup Sites:	0.00
Effects | Groundwater Threats:	0.00
Effects | Hazardous Waste:	0.00
Effects | Impaired Water:	23.88
Effects | Solid Waste:	0.00
Sensitive Population	Weighted Percentile
… Percentile	20.22
Population | Asthma:	19.29
Population | Low Birth Weight:	**58.20**
Population | Cardiovascular Disease:	28.45
Population | Education:	**50.73**
Population | Linguistic Isolation:	0.00
Population | Poverty:	30.29
Population | Unemployment:	29.41
Population | Housing Burden:	14.69

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 Escondido's General Plan contains a hazard mitigation plan for potential fire, flooding, and earthquakes. The affected territory lies within an undesignated fire hazard level zone – however notably near a "high" fire hazard zone" – and a "Low-Level" earthquake hazard zone.







RO24-17 "BIERMANN - N ASH STREET REORGANIZATION" | ANNEXATION TO THE CITY OF ESCONDIDO AND CONCURRENT DETACHMENT FROM CSA NO. 135

- Proposal Area
- City of Escondido
- CSA No. 135

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 -- 2/24/2025

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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A REORGANIZATION

"BIERMANN-N. ASH STREET REORGANIZATION"
ANNEXATION TO THE CITY OF ESCONDIDO AND RELATED ACTIONS
LAFCO FILE NO: RO24-17

WHEREAS, on September 23, 2024, interested landowner – Mitch Biermann – 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 reorganization of approximately 0.8 acres of unincorporated territory in the County of San Diego involving annexation to the City of Escondido with concurrent detachment from County Service Area 135 and its regional communication service function;

WHEREAS, the City of Escondido has provided its written support for the reorganization as submitted;

WHEREAS, the affected territory as proposed includes one legal parcel containing an existing single-family residence and identified by the County of San Diego's Assessor's Office as 224-141-33 with an assigned situs of 2174 North Ash Street; and

WHEREAS, on December 5, 1984, the County of San Diego and the City of Escondido approved a Master Property Tax Transfer Agreement that will govern the property tax exchange associated with the reorganization of the affected territory to the City of Escondido; and

WHEREAS, the Commission's Executive Officer has reviewed the proposed reorganization 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 May 5, 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 reorganization under the California Environmental Quality Act (CEQA), the Commission's makes the following findings:

    a) San Diego LAFCO serves as lead agency under CEQA for assessing potential environmental impacts of the proposed reorganization proceedings to annex the affected territory to the City of Escondido given it has been initiated by a landowner. LAFCO determines the reorganization proposal 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 its accommodation of new construction of up to three single-family residences in an urbanized residential zone.

    b) San Diego LAFCO serves as lead agency under CEQA for considering the secondary action associated with the reorganization to detach the affected territory from CSA No. 135 and its regional communication service function. LAFCO determines the detachment is a project under CEQA but qualifies for exemption under Guidelines Section 15320. This exemption appropriately applies given the subject service – regional communications – will be entirely transferred and assumed by Escondido without any material changes in the scope, scale, or adequacy post reorganization.

4. The Commission CONDITIONALLY APPROVES the reorganization without modifications subject to conditions as provided. Approval involves all the following:

    a) Annexation of the affected territory to the City of Escondido as shown in "Exhibit A-1" and described in "Exhibit A-2".

    b) Detachment of the affected territory from County Service Area No. 135 as shown in "Exhibit A-1" as described in Exhibit A-2".

5. The Commission CONDITIONS all approvals on the following terms being satisfied by May 5, 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) Written consent and related authorizations from the applicant – Mitch Biermann – to remove the subject parcel from Rincon del Diablo Municipal Water District's Improvement District "E" involving fire protection and emergency medical.

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 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:

   "Biermann–N. Ash Street Reorganization".

7. The affected territory shall not be re-zoned by the City of Escondido for a period of no less than two years following the recordation of a Certificate of Completion unless exempting procedures are satisfied under Government Code § 56375(e).

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 County Service Area 135 is a registered-voter district.

11. The City of Escondido and County Service Area 135 all utilize the County of San Diego assessment roll.

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

13. 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.

14. 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.

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

16. 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 May 5, 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

-Placeholder-

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RECEIVED
APR 22 2025
SAN DIEGO LAFCO

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 Mitch Biermann Print Mitch Biermann	224-141-33	4/9/25	
Sign [signature] Print Donglim Park	224-141-33	4/9/25	
Sign Print			
Sign Print			
Sign Print			
Sign Print			

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AGENDA REPORT
Consent | Information

May 5, 2025

TO: Chair Whitburn and Commissioners

FROM: Joelle Burila, Local Government Analyst I
Priscilla Mumpower, Assistant Executive Officer

SUBJECT: **Report on Active Proposals and Related Activities**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a status report on active 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

Processing 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 before they are scheduled for a hearing. Requests for outside-of-agency service approvals – which are subject to separate procedures – generally take two months to process.

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Joel Anderson, County of San Diego
Jim Desmond, County of San Diego
Vacant, 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
Vacant, General Public
Brigette Browning, Alt., General Public

DISCUSSION

This item provides San Diego LAFCO with its regular update on active proposals on file. The item also – and for telegraphing purposes of future workload – identifies pending proposals staff anticipates being filed with LAFCO in the near term based on discussions with local agencies. It also serves to concurrently satisfy the Commission's reporting requirement to provide notice on agendas involving jurisdictional changes initiated by petitions.[1] The Commission is also invited to pull the item for discussion as needed.

With respect to current activities, there are thirty-six (36) active proposals on file with LAFCO. This amount is divided between thirty-two (32) proposals in administrative review and pending formal Commission hearing, with the remaining four (4) involving conditional approvals that are awaiting recordation. Staff also identifies six (6) pending and otherwise substantive proposals based on ongoing communications with their proponents. All active and pending proposals are detailed as part of 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,

Joelle Burila

Joelle Burila
Local Government Analyst I

Attachment:

1) Active and Pending Proposals as of April 28, 2025

1 Government Code Section 56857 directs LAFCOs to provide notice on agendas of any proposal involving special districts that have been initiated by landowners or registered voters. The agenda notification starts a 60-day period in which the affected special districts may request termination of the proceedings due to financial or service-related concerns.

	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 (+)	Michaela Peters	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 is administratively paused due to incomplete and pending receipt of additional documentation. Discussions remain active.
8	SA19-26 RO19-26 OAS19-26	"Valiano - Eden Valley Reorganization" - City of Escondido: Extraterritorial Sewer - City of Escondido: Sphere Action (+) - San Marcos FPD: Annexation - Rancho Santa Fe FPD: Detachment - Rancho Santa Fe FPD: Sphere Action (-) - Rancho Santa Fe FPD: Extraterritorial Fire	Michaela Peters	New application jointly submitted January 2025 by landowner petition and the City of Escondido involving a reorganization and out-of-agency service agreement as part of the "Valiano" planned development in Harmony Grove. The reorganization involves the concurrent annexation of approximately 9.2 unincorporated acres to San Marcos FPD with detachment from Rancho Santa Fe FPD and related sphere amendments. The out-of-agency service agreement approval request involves the extension of wastewater from the City of Escondido for approximately 80.7 unincorporated acres with related sphere amendments to add to Escondido and remove from San Marcos. The proposal is currently under administrative review. Discussions remain active.
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 and involves 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 application is incomplete pending receipt of additional documentation from the proponent. Discussions remain active.
11	CO22-08	"Martinez - North Avenue Reorganization" - City of Escondido: Annexation - County Service Area No. 135: Detachment - Deer Springs Fire Protection District: Detachment	Joelle Burila	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 as a remedy to 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 and involves 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 submitted proposal application is incomplete pending receipt of additional documentation and related information. Discussions remain active.

	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 proposal is currently under administrative review and is considered incomplete at this time. Discussions remain active.
14	RO23-12	"Twin Oaks Valley Winery Reorganization" - Vallecitos WD: Annexation - Vista ID: Detachment	Michaela Peters	Application submitted in September 2023 by landowner petition and involves annexation of approximately 4.35 acres to the Vallecitos Water District to establish both potable water and wastewater services. The affected territory is developed with one single-family residence, with plans to develop a full-service winery – including a tasting room, wine production space, restroom(s), etc. The proposal is currently under administrative review with the expectation of expanding the scope to include detachment from Vista ID. Discussions remain active.
15	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.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
16	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 application is incomplete pending receipt of additional documentation from the City and related information. Discussions remain active.
17	RO24-07	"Lake Wohlford Resort Reorganization" - Valley Center MWD: Annexation	Meghan Traynor	Fee submitted in March 2024 for an anticipated reorganization application involving 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.
18	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 annexation to the City of Escondido proposal 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	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	Joelle Burila	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 as a remedy to a failing septic system. The Executive Officer administratively approved the service request on October 23, 2024 and the proposal was approved as a consent (information only) item as part of the Commission's November 4, 2024 meeting. The administrative approval is conditioned on the landowner submitting a complete annexation to the City of National City proposal 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.
20	CO24-13	"Cavanaugh – Linda Vista Drive Change of Organization" - Vallecitos WD: Annexation - Vallecitos WD: Sphere Action (+)	Joelle Burila	Application submitted in August 2024 by landowner petition and involves annexation of an approximate one-acre parcel in the City of San Marcos to the Vallecitos Water District for the primary purpose of establishing wastewater service. The affected territory is presently undeveloped with plans to develop a single-family residence and detached garage. The proposal is scheduled for a public hearing by the Commission at its May 5, 2025 meeting.
21	CO24-14	"Quarry Road LLC Change of Organization" - San Diego County SD: Annexation	Meghan Traynor	Application submitted in September 2024 by landowner petition and involves 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 of developing a commercial storage facility. The proposal is currently under administrative review. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
22	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.
23	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 is scheduled for consideration as a consent item at the Commission's meeting on May 5, 2025.
24	CO25-04 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 (information only) item as part of the Commission's February 3, 2025 meeting. The administrative approval is conditioned on the landowner submitting a complete annexation to Buena Sanitation District proposal 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
25	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.
26	RO25-03 OAS25-03	"Lopez – Bear Valley Parkway Out-of-Agency Wastewater Services" - City of Escondido: Annexation - County Service Area No. 135: Detachment	Joelle Burila	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 is developed with a single-family residence and ADU totaling 1.37-acres. The Executive Officer administratively approved the service request on February 7, 2025 and the proposal was approved as a consent (information only) item as part of the Commission's March 3, 2025 meeting. The administrative approval is conditioned on the landowner submitting a complete application for annexation to 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.
27	OAS25-06	"Moody – Lemon Avenue Out-of-Agency Wastewater Services" - City of La Mesa: OAS	Michaela Peters	Application submitted in February 2025 by the City of La Mesa for an out-of-agency service agreement involving an unincorporated parcel currently undeveloped with plans to construct a single-family residence and accessory dwelling unit (ADU). The purpose of the OAS agreement is to abate an impending public health and safety threat given the City's engineer has determined sanitary sewer service for the subject property is necessary based on the subject parcel's size and proximity to an existing City sewer main. The proposal is currently under administrative review. Discussions remain active.
28	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 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 is currently under administrative review. Discussions remain active.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
29	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 is currently under administrative review. Discussions remain active.
30	OAS25-09	"Mayer – Santa Fe Avenue Out-of-Agency Wastewater Services" - Buena Sanitation District: OAS	Joelle Burila	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.
31	CO25-10	"Miller-Hall – Vulcan Avenue Change of Organization" - Leucadia Wastewater District: Annexation	Joelle Burila	Application submitted in April 2025 by resolution of the Leucadia Wastewater District. The affected territory comprises one parcel approximately 0.23-acres in size with an existing single-family residence. The proposal requests the establishment of public wastewater services intended to facilitate the development of an ADU. The proposal is currently under administrative review. Discussions remain active.
32	OAS25-11	"Halstead – Olivewood Lane Out-of-Agency Wastewater Services" - San Diego County Sanitation District: OAS	Joelle Burila	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 in order to remedy a failing septic system. 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				
33	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.
34	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 territory to the San Diego County Sanitation District to make available public water and wastewater 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 to grade the land for future industrial and outdoor storage uses. The proposal was approved by the Commission on October 2nd, 2023. The applicant has requested a formal extension to September 18th, 2025 in order to satisfy the necessary terms and conditions outlined in the adopted resolution.
35	CO24-05	"O'Ryan – Calavo Drive Change of Organization" - Otay WD: Annexation - Otay WD: Sphere Action (+)	Michaela Peters	Application submitted in February 2024 by landowner petition and involves annexation of approximately 0.30 acres to the Otay Water District for the primary purpose of establishing public wastewater service. The affected territory is presently undeveloped with plans to develop a single-family residence and an accompanying accessory dwelling unit (ADU) in addition to a proposed 8.11-acre modification to include the public right-of-way along Avocado Blvd. The proposal was approved by the Commission on October 7, 2024 and now pending completion of terms and conditions as set forth by the Commission.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
36	CO24-09	"Huang – Mt. Whitney Road Change of Organization" -Rincon MWD | Wastewater Service Area: Annexation -Rincon MWD | Wastewater Service Area: Sphere Action (+)	Meghan Traynor	Application submitted in August 2024 by landowner petition and involves annexation of approximately 0.91 acres to the Rincon del Diablo Municipal Water District for the primary purpose of establishing public wastewater service. The affected territory is presently undeveloped with plans to develop a single-family residence. The proposal was approved by the Commission on March 3, 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.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
	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.
	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.

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

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AGENDA REPORT
Consent | Information

May 5, 2025

TO: Chair Whitburn and Commissioners

FROM: Priscilla Mumpower, Assistant Executive Officer

SUBJECT: **Report on Cities and Special Districts Advisory Committee Activities**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive an update on the activities and meetings of the Cities and Special Districts Advisory Committees during Fiscal Year 2024-2025 and tied to the Commission's adopted workplan. The report outlines meetings held, committee engagement, and highlights of key discussions. The item is for information in step with concluding this workplan assignment.

BACKGROUND

Special Districts' Advisory Committee

The Special Districts Advisory Committee (SDAC) was established in 1971 to help inform and advise the Commission. SDAC's role has actively evolved from its initial focus on just jurisdictional changes affecting special districts to now include other types of planning and regulatory activities under LAFCO's purview. Elections are held every other year to fill 16 positions on the SDAC with eligibility limited to only independent special districts. The current Chair and Vice Chair are Kim Thorner (Olivenhain Municipal Water District) and Jack Beebe (Fallbrook Public Utility District). SDAC currently meets quarterly.

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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
Vacant, General Public
Brigette Browning, Alt., General Public

Cities Advisory Committee

The Cities Advisory Committee (CAC) was reconstituted in 2018 after having become dormant beginning in the 1990s. It presently serves in an ad-hoc capacity and advises the LAFCO Executive Officer with specific focus on developing and implementing the Commission's adopted workplan. 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. CAC currently meets biannually.

Adopted Workplan & Advisory Committee Meetings

San Diego LAFCO's current fiscal year workplan includes 30 projects and is divided into two distinct categories – statutory and administrative – along with priority assignments set by the Commission. This includes staffing regular quarterly and biannual meetings of the SDAC and CAC, respectively.

DISCUSSION

This item provides San Diego LAFCO with an update of both SDAC and CAC activities for the 2024-2025 fiscal year. Key highlights follow.

Special Districts Advisory Committee

SDAC has held three meetings during the fiscal year - September 20, 2024, December 20, 2024, and April 18, 2025. These meetings offered the Committee opportunities to advance several key projects, including a policy review of its bylaws, which were formally approved by the Committee in April and are expected to be presented to the Commission for final review in June. The Committee also supported staff's proposal to begin "Special District Spotlights," a new engagement effort allowing individual districts to host meetings and showcase their facilities, operations, and current or upcoming projects. Additionally, SDAC received regular updates on high-priority municipal service reviews involving SANDAG, healthcare districts, and wholesale water agencies. At its most recent meeting in April, SDAC favorably discussed the adopted draft workplan and budget a as well as creating a working group to consult with LAFCO on developing a weighted water/wastewater rate comparison for use in the municipal service reviews.

Cities Advisory Committee

CAC has held one meeting during the fiscal year on December 19, 2024. During this meeting, the CAC received informational updates on high-priority municipal service reviews covering SANDAG, wholesale water agencies, and healthcare districts. Additionally, CAC engaged in substantive discussions on two projects: the draft policy outlining procedures for appointing public members to LAFCO and the development of an informational report on homelessness services. The discussion on the public member policy resulted in a formal recommendation,

which was subsequently forwarded to the Commission for consideration. A second meeting scheduled for March 20, 2025 was canceled due to a lack of quorum. In lieu of the meeting, staff prepared a video presentation covering the workplan and budget updates, as well as other items of interest. A feedback form was also distributed to gather direct input from members, though no formal responses were received.

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 Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachment:

1) Cities and Special Districts Advisory Committee Membership Rosters

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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. The current Committee has been called by the Executive Officer to review and provide ongoing feedback to the Executive Officer on the adopted workplans. All 18 cities in San Diego County are represented on the Committee by the city manager or their designee and have one vote. Each city may also appoint one or more alternates. The Executive Officer is also a non-voting member on the Committee and serves as moderator and is responsible for scheduling meetings. The current Committee roster is below.



Paz Gomez
Deputy City Manager
City of Carlsbad



Tiffany Allen
Assistant City Manager
City of Chula Vista



Tina Friend
City Manager
City of Coronado



Ashley Jones
City Manager
City of Del Mar



Vince DiMaggio
Assistant City Manager
City of El Cajon



Pamela Antil
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
Assistant Community Development Director
City of National City



Jonathan Borrego
City Manager
City of Oceanside

Cities Advisory Committee (continued)



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



Marlene Best
City Manager
City of Santee



Alyssa Muto
City Manager
City of Solana Beach



John Conley
City Manager
City of Vista

Special Districts Advisory Committee

The Special Districts Advisory Committee was created in August 1971 by San Diego LAFCO and consists of 16 members collectively drawn from the 59 independent special districts in San Diego County. Members serve four-year terms and are appointed by the independent special districts through an election process administered by LAFCO staff. Committee rules also allow the Committee Chair to appoint members to fill unexpired terms as needed. The Committee is tasked with providing feedback – including recommendations – on germane topics to assist LAFCO in fulfilling its regulatory and planning functions. The Committee meets quarterly with its current roster provided below.



Kimberly Thorner
Chair
Olivenhain MWD



Jack Bebee
Vice Chair
Fallbrook PUD



Ann Baldridge
Resource Conservation District of Greater San Diego



Paul Bushee
Leucadia MWD



Jeff Egkan
North County FPD



James Gordon
Deer Springs FPD



Rachel Mason
Fallbrook Regional Health District



Albert Lau
Santa Fe Irrigation District



Hector Martinez
South Bay Water District



Dave McQuead
Rancho Santa Fe Fire Protection District



Marty Miller
Vista Irrigation District



Mark Robak
Otay Water District



Joel Scalzitti
Helix Water District



Mike Sims
Bonita–Sunnyside FPD

Special Districts Advisory Committee (continued)



Oliver Smith
Valley Center MWD

Vacant



San Diego County
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AGENDA REPORT
Public Hearing | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Priscilla Mumpower, Assistant Executive Officer
Holly Whatley, Commission Counsel

SUBJECT: **Annual Workforce Vacancy Report in Compliance with Assembly Bill 2561**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider an annual workforce vacancy report addressing position vacancies at LAFCO as of May 2025. This is a new requirement tied to the passage of Assembly Bill (AB) 2561, signed into law in September 2024, requiring local public agencies to publicly address the status of all agency vacancies. This item is for the Commission to formally receive and file.

BACKGROUND

AB 2561 introduced by Assemblymember McKinnor (California's 61st Assembly District, Inglewood) amends the Meyers-Milias-Brown Act to address the growing impact of job vacancies on local government services and employee workloads. The legislation – signed into law in September 2024 – requires public agencies, including LAFCOs, to hold at least one public hearing each fiscal year to review staffing vacancies, recruitment, and retention efforts. This hearing must take place prior to final budget adoption. To the extent there are any recognized employee organizations, such organizations are permitted to make presentations during the hearing regarding the vacancies, retention, and recruitment efforts. For agencies with vacancies exceeding 20% of authorized full-time positions, additional disclosures may be required during the discussion.

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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
Vacant, General Public
Brigette Browning, Alt., General Public

DISCUSSION

This item is for San Diego LAFCO to receive and file the Annual Workforce Vacancy Report, as required under AB 2561. Key details follow.

Status of Vacancies

San Diego LAFCO is currently authorized and budgeted for eight full-time positions, including: one Executive Officer, one Assistant Executive Officer, three Analysts, one GIS Analyst, one Communications Associate, and one Commission Clerk. All authorized positions are budgeted and filled with no current vacancies.

Hiring Obstacles

AB 2561 requires agencies to identify any necessary changes to policies, procedures, and recruitment activities that may lead to hiring obstacles. Staff have identified no necessary changes that may present obstacles in the hiring process.

Recruitment and Retention Efforts

LAFCO's current staff composition has remained relatively stable in recent years. Nevertheless, attracting qualified and experienced candidates in a competitive labor market remains a challenge. While LAFCO offers a comprehensive benefits package, many prospective applicants primarily focus on base salaries. To remain competitive in support of retention and in maintaining the team currently in place, the proposed budget includes an approximate 5% salary buffer to accommodate merit-based performance evaluations for eligible employees. This is in addition to budgeting a cost-of-living adjustment (COLA) of 3.8% that would apply to all employees.

To further promote work-life balance and support recruitment and retention, LAFCO continues to offer a hybrid work model, allowing staff to work remotely up to two days per week. Originally introduced during the COVID-19 pandemic, this structure has become a permanent feature of LAFCO's policies, aligning with broader trends in the public and private sector. LAFCO also invests in employee growth by supporting attendance at relevant professional development events.

ANALYSIS

None.

RECOMMENDATION

It is recommended San Diego LAFCO conduct the public hearing and receive and file the Annual Workforce Vacancy 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 Annual Workforce Vacancy Report.

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

Alternative Three:
Take no action.

PROCEDURES

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

1) Disclose any ex-parte communications.
2) Open the hearing and invite comments from the public.
3) Close the public hearing, discuss item, and consider recommendation.

On behalf of the Executive Officer and Commission Counsel,



Priscilla Mumpower
Assistant Executive Officer

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AGENDA REPORT
Public Hearing | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

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

SUBJECT: **Proposed Final Workplan and Budget for FY2025-2026 and Related Actions**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider recommendations from the Executive Officer to adopt a final workplan and budget for 2025-2026. Both items return substantively intact following their draft adoption in March and subsequent public review – including presentations to the Cities and Special District Advisory Committees. The proposed final workplan continues outlining the same 30 special projects and headlined by completing municipal service reviews for wholesale water service providers and healthcare districts; it also continues to provide for the initiation of a municipal service review of the San Diego Unified Port District and launch of a pilot grant program to support special LAFCO projects. Priority listings, however, have been revised to accommodate the elevation of a special governance study on the Oceanside Small Craft Harbor District as detailed. The proposed final budget, informed by the workplan, continues to set $3.164 million in matching expenses and revenues – an increase of 8.6% or $0.251 million from the current fiscal year. Increase primarily reflects adjustments for salary and benefit changes, including cost-of-living and merit increases, and expanded use of consultants to support the municipal service review program. The lone revision to the budget involves lowering local agency appointments from 7.6% to 5.0% consistent with earlier Commission feedback with a corresponding increase in using available reserves. It is recommended the Commission adopt both items with any revisions by resolution along with related actions as specified.

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Marni von Wilpert, Alt., City of San Diego
Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David A. Drake, Alt., Rincon del Diablo
Vacant, General Public
Brigette Browning, Alt., General Public

BACKGROUND

San Diego LAFCO is responsible under State law to adopt a proposed budget by May 1st, 2025, and a final budget by June 15th, 2025. A mandatory review by all local funding agencies is required between the two adoption periods. State law also specifies the proposed and final budgets must be equal to the budget adopted for the previous fiscal year unless LAFCO formally finds any reduced costs will allow the membership to meet its regulatory and planning duties.[1]

DISCUSSION

This agenda item is for San Diego LAFCO to consider recommendations by the Executive Officer in adopting a coordinated final (a) workplan and (b) budget for 2025-2026. Both items return to the Commission relatively intact from their initial presentation and adoption in draft form on March 3rd and the subsequent 45-day public review period. This included providing direct notice to all local funding agencies per statute as well as presenting to both the Cities and Special Districts Advisory Committees. Summaries of both items follow.

Final Proposed Workplan

The proposed final workplan for FY2025–2026 remains largely unchanged from the draft adopted in March and continues to build on the current fiscal year's efforts. It outlines 30 special projects organized across sequential priority categories, with ongoing efforts generally placed in the upper half and new projects in the lower half. An additional 20 bullpen projects are identified as optional activities the Commission may consider advancing during the year or carrying forward to future workplans. Top-priority items include ongoing municipal service reviews of wholesale water providers (No. 1a), healthcare districts (No. 1b), and the San Diego Association of Governments (No. 3), all of which are progressing toward staff issuing drafts within the next several months. Two regional municipal service reviews (No. 4a and 4b) covering the Carlsbad and Encinitas areas are also prioritized with drafts expected to be issued before the end of the calendar year. Materially, the lone revision to the workplan relative to the March draft involves advancing a special governance study of the Oceanside Small Craft Harbor District from low to medium priority and in doing so swapping places with an administrative project with U.C. Berkeley as detailed. This change responds to community input on the draft with a preliminary scope of work provided as an attachment to assist the Commission in its review of the project.

Final Proposed Budget

The proposed final budget for FY2025-2026 similarly returns largely unchanged from the draft adopted in March and structured to support the accompanying workplan. Most notably, it continues to set $3.164 million in total matching expenses and revenues, representing an overall increase of 8.6% or $0.251 million over the current fiscal year. Details follow.

1 This statutory prohibition on reducing the LAFCO budget without special findings ties to the State of California agreeing to negotiated legislation in 1962 to delegate oversight of jurisdictional boundary and service area issues from the State to LAFCOs in all 58 counties.

- Operating expenses are proposed at $2.681 million and represents an increase over the current fiscal year of 10.4% or $0.251 million.

    - The Salaries and Benefits Unit is set to increase by 8.2% – or $119,894 – and largely the result of accommodating a 3.8% placeholder cost-of-living adjustment for all 8.0 filled positions as well as anticipated step advancements for eligible employees. The increase also accommodates a scheduled per diem change from $291 to $305.

    - The Services and Supplies Unit is set to increase by 13.8% – or $132,653 – and largely to support expanded consultant use requiring technical expertise associated with the municipal service review program. The increase also accommodates a scheduled website update.

- Non-operating expenses are proposed at $0.483 million and represents a decrease over the current fiscal year of (0.2%) – or ($0.001 million) – and largely associated with transacting grant payments with the State of California involving SALC 2.0. The balance of the budget involves debt payments covering LAFCO's proportional share of the County of San Diego's obligation bonds for other post-employment benefits.

- Operating revenues are proposed at $2.714 million and represents an increase over the current fiscal year of 10.2% or $0.252 million.

    - The Apportionments Unit is set to increase by 5.0% or $0.108 million and divided by statutory formula between the County of San Diego, Cities less San Diego, City of San Diego, and Special Districts. The 5.0% marker has been set by staff based on feedback from the Commission.

    - The Miscellaneous Unit is set to increase by 183.4% or $0.143 million and entirely ties to increasing the use of reserves to balance expenses.

- Non-operating revenues are proposed at $0.450 million and represents the same amount budgeted for the current fiscal year. All revenues are associated with transacting the SALC 2.0 grant with the State of California.

A listing of all workplan projects is provided as an exhibit to the attached draft resolution. A detailed budget ledger showing all revenues and expenses is similarly provided as an exhibit.

ANALYSIS

San Diego LAFCO's proposed final workplan and budget for 2025-2026 reflect a largely status quo approach in addressing the Commission's regulatory and planning responsibilities with targeted enhancements as outlined above. The workplan maintains the Commission's established practice of setting a proactive 12-month schedule of 30 special projects, with continued emphasis on advancing the municipal service review program. The lone revision to

the workplan involves advancing a special governance study of the Oceanside Small Craft Harbor District. This revision responds to community interest and has generated an assisting letter from the City of Oceanside with constructive suggestions that are incorporated into the preliminary scope of work. The budget supports the workplan priorities and headlined by continuing to fund 8.0 fulltime positions with a 3.8% cost-of-living adjustment and targeted step increases. It also covers additional consultant usage consistent with the evolving needs of the municipal service review program. Additional use of reserves to limit the apportionment increase to 5.0% separately syncs with LAFCO policy to make available monies to help stabilize costs and smooth impacts on local agencies while also maintaining a fund balance to be no less than 33% of operating expenses. The fund balance is expected to total $1.410 million at the end of 2025-2026 and equal to 53% of operating expenses. A public guide summarizing the final proposed workplan and budget is available as Attachment One.

RECOMMENDATION

It is recommended San Diego LAFCO approve and adopt the proposed final workplan and budget as presented with any desired changes. Recommendation is consistent with taking the actions identified in the proceeding section as Alternate One.

ALTERNATIVES FOR ACTION

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

Alternative One (recommended):

a) Adopt the attached resolution provided as Attachment Four approving the proposed final workplan (Ex. A) and budget (Ex. B) for FY2025-2026 with any desired changes.

b) Authorize the Executive Officer to invoice local agencies under statute formula for FY2025-2026 in the total amount of $2,292,272.

c) Approve the previously scheduled increase in per diems from $291 to $305.

Alternative Two:
Continue consideration of the item to its next regular meeting.

PROCEDURES FOR CONSIDERATION

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

1) Disclose any ex-parte communications.
2) Receive verbal report from staff unless waived.
3) Open the hearing and invite comments from the public.
4) Close the public hearing, discuss item, and consider recommendation.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachments:

1) Guide to the Proposed Final Workplan and Budget for FY2026
2) Written Comments
   - Kurt Worden
   - City of Oceanside
3) Preliminary Scope of Work for Special Governance Study on Oceanside SCHD
4) Draft Resolution Approving a Final Workplan and Budget for FY2026
   - Exhibit A: Proposed Final Workplan
   - Exhibit B: Proposed Final Budget

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Proposed

FINAL WORKPLAN & BUDGET GUIDE

FY 2025-2026

Local Agency Formation Commissions – or LAFCOs – are boundary makers that oversee the creation and expansion of cities and special districts in all 58 counties of California. LAFCOs exercise regulatory and planning powers to coordinate publicly provided services, such as water or fire protection, and match them with community needs. The goal of every LAFCO is to facilitate smart growth while avoiding urban sprawl.

A summary of San Diego LAFCO's proposed final workplan and budget for 2025-2026 follows.

2025-2026 Workplan Guide

High Priority

1a - MSR | Wholesale Water Services
Service-specific study on principal wholesale water services in SD County (CWA -comprehensive + MET - abbreviated)

1b - MSR | Healthcare Districts
Service-specific study on healthcare districts in SD County (Grossmont, Fallbrook, Palomar + Tri Cities)

3 - MSR | SANDAG
Agency-specific study on SANDAG and core municipal functions (transportation, housing + climate adaption functions)

4a - MSR | Carlsbad-Encinitas Region I: Cities
Region-specific study on north coast I-5 municipalities (Carlsbad and Encinitas)

4b - MSR | Carlsbad-Encinitas Region II: Districts
Region-specific study on north coast I-5 districts (Carlsbad MWD, Leucadia WWD, Olivenhain MWD, + San Dieguito WD)

6a - MSR | Vista-San Marcos Region I: Cities
Regional MSR on central S-78 corridor municipalities (San Marcos + Vista)

6b - MSR | Vista-San Marcos Region II: Districts
Regional MSR on central S-78 corridor districts (San Marcos FPD, Vista FPD, Vista, ID, Buena SD, + Vallecitos WD)

8 - White Paper | Homeless Services
Evaluate the scope-scale of governmental homeless services in SD County + potential governance options

9 - White Paper | Public Recreation @ City Reservoirs
Assess public recreation opportunities at City of SD's unincorporated reservoirs + potential governance alternatives

10 - SALC Planning Grant 2.0
Complete multi-year grant to inform + enhance small farming operations in SD County

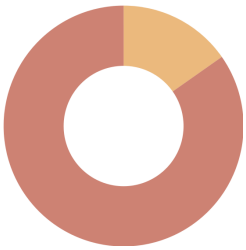
Medium Priority	Lower Priority
11a - MSR | Solana Beach - Del Mar Region I: Cities	**21** - RCD Ad Hoc Committee: Part II
11b - MSR | Solana Beach - Del Mar Region II: Districts	**22** - MSR | South Coast Region I: Cities
13 - Website Refresh + Content Expansion	**23** - MSR | Healthcare Districts: Addendum
14 - MSR | San Diego Unified Port District	**24** - Alternative Membership Organization
15 - Special Study | Oceanside SCHD	**25** - Annual Local Agency Directory
16 - Outside Audit | RFP + Selection	**26** - Legislative Proposal | UC Berkeley Report
17 - Outside Audit | FY2025	**27** - Commissioner Onboarding
18 - Pilot Grant Program	**28** - Annual SOI-MSR Registry
19 - Special Districts Advisory Committee	**29** - Applicant Procedures
20 - Cities Advisory Committee	**30** - Featured Work + Tutorial Videos

2025-2026 Budget Guide

Total Expenses: $3.163 Million

Increase of 8.6% or $0.251 million

divided between operating and non-operating costs



Operating Costs - 84.7%

- totals $2.681 million, an increase of 10.4% or $0.252 million
- 60% goes to salaries + benefits for 8.0 FTEs
- 40% goes to services + supplies

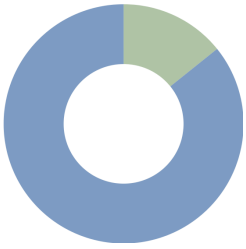
Non-Operating Expenses - 15.3%

- totals $0.483 million, a decrease of 0.2% or >$1k
- divided between grant and debt payments

Total Revenues: $3.163 Million

Increase of 8.6% or $0.251 million

divided between operating and non-operating resources



Operating Revenues - 85.8%

- totals $2.713 million, an increase of 10.2% or $0.252 million
- 87% comes from local agencies
- 7% comes from application fees
- 6% comes from reserves + earnings

Non-Operating Revenues - 14.2%

- $0.450 million, no change
- grant awards + miscellaneous

Budget Snapshot...

The proposed final budget provides a matching expense and revenue total at $3.2 million, which is 8.6% over the current year – or $251k.

Key Drivers of Increased Costs (approximations):

- $57k – or 4% - goes to salaries-benefits to cover COLA for all 8.0 FTEs

- $57k – or 4% - goes to salaries-benefits to accommodate FTE merit step advancements

- $6k – or 1% - goes to salaries-benefits for various true-ups in benefits

- $120k – or 25% - goes to services-supplies to cover additional consultant use to advance MSR program

Cost-savings are incorporated into the proposed budget by reducing other consultant usage – including graphic design, video production, and outreach.

The $251k increase in revenues involves increasing agency apportionments by 7.6% - or $165k – with the balance covered by using additional reserves.

LAFCO COMMISSION

San Diego LAFCO is governed by a Commission consisting of county, city, special district, and public members. Commissioners are appointed elected officials with the exception of the two public members. Commissioners serve four-year terms and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. Commissioners are subject to standard disclosure requirements and must file annual statements of economic interests. The Commission has sole authority in administering its legislative responsibilities and its decisions therein are not subject to an outside appeal process.



Stephen Whitburn
Chair
City of San Diego



Barry Willis
Vice Chair
Alpine Fire Protection



Jim Desmond
Past Chair
County of San Diego



Joel Anderson
Commissioner
County of San Diego



Kristi Becker
Commissioner
City of Solana Beach



Dane White
Commissioner
City of Escondido



Jo Mackenzie
Commissioner
Vista Irrigation



Vacant
Commissioner
General Public



Bridgette Browning
Alternate
Public Member



David Drake
Alternate
Rincon Del Diablo



John McCann
Alternate
City of Chula Vista



Marni von Wilpert
Alternate
City of San Diego

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From: Kurt Worden <>
Sent: Monday, April 14, 2025 8:26:47 AM
To: Mumpower, Priscilla <Priscilla.Mumpower@sdcounty.ca.gov>
Cc: Barry Willis <>
Subject: [External] Feedback on SD LAFCO Proposed Final Workplan and Budget FY26

Feedback provided as requested.

General opposition to LAFCO salary increases. With out further explanation it appears that LAFCO salaries are excessive and 8.9% increase is unwarranted. The median salary in San Diego County is $73000. The proposed median LAFCO salary is $123000. ($986,000 / 8 full time employees)

Recommend that there be an explanation of the salary budget line or a reduction to align to the County median salary.

Thank you.
Kurt Worden.

CITY OF OCEANSIDE
OFFICE OF THE CITY MANAGER

April 25, 2025

San Diego County – Local Agency Formation Commission (LAFCO)
Keene Simonds, Executive Officer
Michaela Peters, Analyst II
2550 Fifth Avenue, Suite 725
San Diego, CA 92103

RE: LAFCO Draft Workplan for 2025 – 2026: RE: Oceanside SCHD Special Study

Dear Mr. Simonds and Ms. Peters:

Thank you for your ongoing communications regarding LAFCO's Draft 2025 – 2026 Workplan, specifically as it relates to the Oceanside Small Craft Harbor District (SCHD) Special Study (Special Study). We understand that a group of SCHD stakeholders are actively seeking an amendment to the initial 2025 - 2026 Workplan presented to the Commission on March 3 by increasing the priority level of the Special Study from its initially recommended "Lower Priority" status to a higher priority level. While City staff has no comment on the SCHD stakeholders' request, we continue to advocate for a thorough and fair Special Study process that involves direct, continual collaboration and coordination with the City of Oceanside, recognizing its role as the current governing body of the SCHD. Specifically, the following requests are offered:

- In completing the Special Study, LAFCO should retain the services of an industry expert who has experience in advising on matters concerning the operation and governance of publicly-operated harbors comparable to the Oceanside SCH. City staff would also like to participate in the consultant selection process, if possible.
- LAFCO staff should engage Oceanside staff early on in the Special Study process. We further request that LAFCO staff share a draft Special Study workplan and schedule while providing our staff an opportunity to comment on the workplan/schedule before it is finalized. In reviewing the workplan/schedule, we will want to ensure there is ample time and opportunity allocated for engagement with the City and public.
- Similar to the process followed with the recently-completed Oceanside MSR, a preliminary draft of the Special Study should be shared with the City of Oceanside for comment before it is released for public review. It is imperative that the City be provided with an opportunity to review and comment on the initial draft before it is released for public comment.

Thank you for your consideration of these requests. City of Oceanside staff looks forward to partnering with LAFCO and our Harbor stakeholders during the SCHD Special Study process.

Jonathan Borrego
City Manager

CC: Oceanside City Council

SPECIAL GOVERNANCE STUDY ON THE OCEANSIDE SMALL CRAFT HARBOR DISTRICT (SCHD)

PRELIMINARY SCOPE OF WORK

Description | The proposed project ties to a formal recommendation included in the recently completed municipal service review on the Oceanside Region to proceed with additional analyses to assess available governance alternatives to the current organization of Oceanside Small Craft Harbor District. The project has been scaled to consider only the merits of reorganizing the District from its dependent role under the City of Oceanside to an independent role with a directly elected board and assuming all related responsibilities (i.e., administration and operations). The project will be performed by LAFCO staff with technical assistance provided by an outside consultant.

Objective | Produce an independent study of the merits of reorganizing the Oceanside Small Craft Harbor District into an independent agency and whether this alternative would be more effective in addressing community service needs relative to financial resources and in doing so assist future decision-making.

Estimated Timeline | 14-18 months.

Project Tasks + Target Dates

1. Establish Stakeholder Group
   LAFCO staff establishes an appropriately sized stakeholder group to include users or representatives of the Oceanside Harbor (slip permittees, commercial tenants, etc.), Oceanside Habor and Beaches Committee, and City of Oceanside.

   September 2025

2. Retain Outside Consultant
   LAFCO staff with input from the Oceanside City Manager and Stakeholder Group to use an industry expert with experience in advising on matters concerning the operation and governance of publicly operated harbors. The costs of the outside consultant will be funded by LAFCO and subject to staff's procurement authority.

   October 2025

3. Financial Analysis + Benchmarking
   LAFCO staff and consultant will expand on the financial analysis performed in the municipal service review and assess direct District revenue and expense sources over a 10-year period. Analysis will also benchmark current financial structure against comparable harbor districts and distinctions therein between dependent and independent agencies. Incorporate input from Stakeholder Group.

   March 2026

DRAFT

4. Governance + Benchmarking
   LAFCO staff and consultant will expand on governance analysis performed in the municipal service review and assess the relationship between the District and constitutions specific to community needs – existing and emerging. This includes drawing from existing inputs and evaluating public safety services (e.g., police, fire, lifeguard, security) and related cost options with strategic surveying. Incorporate input from Stakeholder Group.

   July 2026

5. Administrative Report + Follow Up
   LAFCO staff will draw on the analysis generated during the preceding steps and prepare an administrative report with draft conclusions and share with the City of Oceanside for review and comment before sharing with the full Stakeholder Group. LAFCO staff and consultant will perform related follow-up work on the document as appropriate in line with preparing a complete draft report.

   October 2026

6. Draft and Final Reports
   LAFCO staff will proceed with preparing draft and final reports for presentations to the Commission and separated by a public review and comment period. Formal filing by the Commission will complete the project.

   December 2026

DRAFT

RESOLUTION No. ___

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION
ADOPTING A PROPOSED FINAL WORKPLAN AND BUDGET
FISCAL YEAR 2025-2026

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the San Diego County Local Agency Formation Commission ("Commission") to perform certain regulatory and planning duties to facilitate orderly and accountable local government; and

WHEREAS, the Commission is required to annually adopt proposed and final budgets by May 1st and June 15th, respectively; and

WHEREAS, the Executive Officer has prepared a written report and recommendations on a proposed final workplan and budget for FY 2025-2026; and

WHEREAS, the Commission has heard and fully considered all the evidence on a proposed final workplan and budget for FY 2025-2026 presented at a public hearing held on May 5, 2025;

WHEREAS, the adoption of a workplan and budget are not projects under the California Environmental Quality Act.

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

1. The proposed final workplan for FY 2025-2026 shown as Exhibit A is APPROVED.

2. The proposed final budget for FY 2025-2026 shown as Exhibit B is APPROVED.

The foregoing resolution was duly and regularly adopted by the Commission at a public hearing held on May 5, 2025 by the following vote:

Yes: _____

No: _____

Abstain: _____

Attest:

_____
KEENE SIMONDS
Executive Officer

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Exhibit A

PROPOSED FINAL WORKPLAN FOR FY2025-2026

Priority	Tier	Type	Project	Description
Ongoing	Highest	Statutory	Applicant Proposals and Service Requests	Prioritize resources to address applicant proposals and related service requests
Ongoing	Highest	Administrative	Targeted LAFCO Presentations	Coordinate timely public outreach; emphasis on informing stakeholders ahead of MSR work
Ongoing	Highest	Administrative	Workplan and Budget Management	Actively manage the workplan and budget resources with regular updates to the Commission
Priority	**Tier**	**Type**	**Project**	**Description**
1a	Highest	Statutory	MSR | Wholesale Water Services	Service-specific study on principal wholesale water services in SD County (CWA -comprehensive + MET - abbreviated)
1b	Highest	Statutory	MSR | Healthcare Districts	Service-specific study on healthcare districts in SD County (Grossmont, Fallbrook, Palomar + Tri Cities); addendum expected
3	Highest	Statutory	MSR | SANDAG	Agency-specific study on SANDAG and core municipal functions (transportation, housing + climate adaption functions)
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, Leucadia WWD, Olivenhain MWD, + San Dieguito WD)
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 districts (San Marcos FPD, Vista FPD, Vista, ID, Buena SD, + Vallecitos WD)
8	High	Administrative	White Paper | Homeless Services	Evaluate the scope-scale of governmental homeless services in SD County + potential governance options
9	High	Administrative	White Paper | Public Recreation @ City Reservoirs	Assess public recreation opportunities 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 and core municipal-facing functions (harbor, recreation, public safety, + community development)
15	High-Mid	Statutory	Special Study | Oceanside SCHD	Prepare special study on SCHD detailing revenues/expenses + potential merits to 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 FY2025 with supplemental information for added value
18	Mid	Administrative	Pilot Grant Program	Establish pilot program to explore grant opportunities to help fund special projects at LAFCO – studies, etc.
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
21	Mid-Low	Statutory	RCD Ad Hoc Committee: Part II	Complete second part of RCD boundary true ups to inform comprehensive sphere updates for local RCDs
22	Mid-Low	Statutory	MSR | South Coast Region I – Cities	Region-specific study on south coast I-5 municipalities (Chula Vista, Coronado, Imperial Beach and National City)
23	Mid-Low	Statutory	MSR | Healthcare Districts: Addendum	Address community healthcare needs and related resources (public + private) + potential governance alternatives
24	Mid-Low	Administrative	Alternative Membership Organization	Work with other LAFCOs to receive/provide ongoing education and legislative advocacy services (post CALAFCO)
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 to improve LAFCO efficiencies
27	Low	Administrative	Commissioner Onboarding	Create a digital toolkit for new Commissioners to help acclimatize to agency duties, structure, and activities
28	Low	Administrative	Annual SOI-MSR Registry	Update and publish annual registry showing all recorded sphere of influence and municipal service review actions
29	Low	Statutory	Applicant Procedures	Update and streamline LAFCO application materials + establish related protocols – including addressing stale proposals
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 Sherrif 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 implementing 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)

Exhibit B

San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

EXPENSES		FY2023		FY2024		FY2025		FY2026		
		Adopted	Actuals	Adopted	Actuals	Adopted	Estimates	Proposed Final	Difference $	Difference %
Salaries and Benefits Unit										
Account	Description									
51110 +	Salaries and Per Diems	786,510	715,968	891,455	715,861	898,906	885,589	986,200	87,294	9.7%
51410	Retirement - SDCERA	275,694	255,990	318,295	303,876	350,146	351,103	384,503	34,357	9.8%
51415	Retirement - OPEB	9,030	8,190	10,273	8,779	10,196	9,289	11,112	917	9.0%
51450	Payroll Taxes	55,537	49,377	64,840	51,279	65,044	62,292	71,457	6,413	9.9%
51510 +	Group Insurance	125,476	102,010	150,033	96,389	143,481	115,199	134,394	(9,087)	-6.3%
51560	Unemployment Insurance	2,000	1,000	1,000	258	1,000	363	1,000	-	0.0%
		1,254,248	1,132,535	1,435,895	1,176,442	1,468,773	1,423,835	1,588,667	119,894	8.2%
Services and Supplies Unit										
Account	Description									
52074	Communications	12,961	6,327	43,824	37,385	42,299	40,214	50,726	8,427	19.9%
52138	General Liability Insurance	12,402	12,737	12,737	14,194	14,194	15,599	15,599	1,405	9.9%
52178	Vehicle - Maintenance	980	1,051	980	2,580	1,000	1,385	1,000	-	0.0%
52182	Vehicle - Fuel	500	497	500	539	500	495	500	-	0.0%
52270	Memberships	30,248	27,037	28,994	23,077	38,736	25,168	34,807	(3,929)	-10.1%
52304	Miscellaneous	50	50	50	30	50	10	50	-	0.0%
52330	Office: General Support	8,211	11,461	8,211	9,636	12,380	11,366	13,217	837	6.8%
52332	Office: Postage USPS	250	200	250	314	250	600	250	-	0.0%
52334	Office: Design + Printing	15,000	15,000	22,500	17,211	23,000	12,000	22,500	(500)	-2.2%
52336	Office: Books and Guidelines	2,050	42	-	-	-	132	-	-	0.0%
52344	Office: Supplies + Furnishings	14,600	11,318	14,600	8,348	12,100	12,100	10,300	(1,800)	-14.9%
52354	Office: County Mail Services	10,000	9,201	10,000	12,401	10,000	8,154	10,000	-	0.0%
52370	Professional Services	270,960	379,047	296,170	518,671	445,767	542,343	566,600	120,833	27.1%
52490	Publications + Legal Notices	4,650	12,500	8,150	11,221	8,500	14,651	7,000	(1,500)	-17.6%
52504	Leases: Equipment	6,600	6,600	6,600	3,955	4,500	3,105	4,000	(500)	-11.1%
52530	Leases: Office Space	137,868	142,239	144,743	149,217	154,308	154,308	158,688	4,380	2.8%
52550	Special Expenses: County Overhead	72,466	30,624	40,000	32,366	33,000	57,293	58,000	25,000	75.8%
52562	Special Expenses: New Hire Checks	-	469	-	198	-	215	-	-	0.0%
52566	Special Expenses: Minor Equipment	500	-	-	413	-	4,523	-	-	0.0%
52610	Travel-Training | In County	2,700	4,500	2,700	5,930	2,700	13,000	2,700	-	0.0%
52612	Employee Auto + Reimbursements	8,700	7,890	8,700	8,201	8,700	11,000	8,700	-	0.0%
52622	Travel-Training | Out of County	16,050	13,436	15,050	18,038	15,050	23,762	15,050	-	0.0%
52721	IT Reimbursements: Network	26,553	16,748	20,000	15,553	18,000	18,154	18,000	-	0.0%
52723	IT Reimbursements: Data Center	29,015	26,621	33,000	24,254	30,000	12,240	27,000	(3,000)	-10.0%
52725 +	IT Reimbursements: Financial Systems	40,146	23,881	35,000	23,984	25,000	18,089	23,000	(2,000)	-8.0%
52732	IT Reimbursements: Desktop Computing	21,488	24,382	28,000	26,759	30,000	26,306	30,000	-	0.0%
52734	IT Reimbursements: Help Desk	2,331	2,002	2,331	1,632	2,331	1,605	2,331	-	0.0%
52750	IT Reimbursements: Catalog Equipment	3,748	25,937	40,000	5,498	25,000	2,030	10,000	(15,000)	-60.0%
52758	Fleet Reimbursements: Lease	2,000	2,000	2,000	1,986	2,000	2,000	2,000	-	0.0%
		753,528	813,798	825,091	973,591	959,364	1,031,847	1,092,018	132,653	13.8%
	OPERATING EXEPENSE TOTAL	2,007,776	1,946,333	2,260,986	2,150,033	2,428,138	2,455,682	2,680,685	252,547	10.4%

EXPENSES CONTINUED...		FY2023		FY2024		FY2025		FY2026		
		Adopted	Actuals	Adopted	Actuals	Adopted	Estimates	Proposed Final	Difference $	Difference %
Non Operating Unit										
Account No.	Description									
51421	Debt Service: OPEB Bonds	37,388	32,781	34,092	30,780	34,092	33,919	33,000	(1,092)	-3.2%
85000	Grant Award Payments	-	215,500	450,000	150,462	450,000	450,000	450,000	-	0.0%
		37,388	248,281	484,092	181,242	484,092	483,919	483,000	(1,092)	-0.2%
	EXPENSE TOTALS	2,045,163	2,194,614	2,745,078	2,331,275	2,912,230	2,939,601	3,163,685	251,455	8.6%

REVENUES		FY2023		FY2024		FY2025		FY2026		
		Adopted	Actuals	Adopted	Actuals	Adopted	Estimates	Proposed Final	Difference $	Difference %
Apportionments Unit										
Account No.	Description									
45918.1	Apportionments | County	515,479	515,479	581,074	581,074	623,997	623,997	654,902	30,905	5.0%
45918.2	Apportionments | Cities (less SD)	515,479	515,479	581,074	581,074	623,997	623,997	654,902	30,905	5.0%
45918.3	Apportionments | San Diego	257,830	257,830	290,639	290,639	312,108	312,108	327,566	15,458	5.0%
45918.4	Apportionments | Special Districts	515,479	515,479	581,074	581,074	623,997	734,786	654,902	30,905	5.0%
		1,804,265	1,804,266	2,033,861	2,033,861	2,184,098	2,294,887	2,292,272	108,174	5.0%
Service Charges Unit										
Account No.	Description									
46234	Application Fees	170,000	250,000	200,000	194,596	200,000	200,000	200,000	-	0.0%
		170,000	250,000	200,000	194,596	200,000	200,000	200,000	-	0.0%
Miscellaneous										
Account No.	Description									
44105	Interest and Dividends	15,000	5,000	15,000	19,321	15,000	12,000	15,000	-	0.0%
47540	Reserves	55,898	55,898	46,218	46,218	63,132	63,132	206,413	143,281	227.0%
		70,898	60,898	61,218	65,539	78,132	75,132	221,413	143,281	183.4%
	OPERATING REVENUE TOTAL	2,045,163	2,115,164	2,295,079	2,293,996	2,462,230	2,570,019	2,713,685	251,455	10.2%
Non-Operating Unit										
Account No.	Description									
85000	Grant Awards	-	215,500	450,000	68,882	450,000	450,000	450,000	-	0.0%
		-	215,500	450,000	68,882	450,000	450,000	450,000	-	0.0%
	REVENUE TOTALS	2,045,163	2,330,664	2,745,079	2,362,878	2,912,230	3,020,019	3,163,685	251,455	8.6%
TOTAL NET		**-**	**136,050**	**-**	**31,603**	**-**	**80,418**	**-**	**-**	

FUND BALANCE (spendable - unrestricted)	**June 30th**	**June 30th**	**Estimate June 30th**	**Projected June 30th**
Committed				
… Stabilization	250,000	250,000	250,000	150,000
… Opportunity	300,000	500,000	300,000	300,000
Assigned by EO	62,500	125,000	125,000	125,000
Unassigned	1,000,810	723,695	940,981	834,568
	1,613,310	1,598,695	1,615,981	1,409,568

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

6c

AGENDA REPORT
Public Hearing | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Joelle Burila, Analyst I

SUBJECT: **Proposed "Cavanaugh – Linda Vista Drive Change of Organization" | Annexation to Vallecitos Water District & Related Sphere Action (LAFCO File No. CO24-13)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider a change of organization proposal initiated by landowner petition. The proposal seeks Commission approval to annex approximately one acre of incorporated territory in the City of San Marcos to the Vallecitos Water District (WD). The affected territory comprises an undeveloped legal parcel that lies immediately outside Vallecitos WD and associated sphere of influence. The proposal's purpose is to establish wastewater services to facilitate the planned development of one single-family residence with a detached garage. Staff recommends conditional approval of the proposal along with a conforming sphere amendment. Waivers are also recommended to proceed without a new municipal service review that would otherwise be required under LAFCO Policy L-106 and dismissing protest. It is separately recommended the Commission make exemption findings under State CEQA Guidelines Sections 15061(b)(3) and 15319(b) covering the sphere amendment and change of organization, respectively.

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Vice Chair Barry Willis, Alpine Fire Protection
Jo MacKenzie, Vista Irrigation
David Drake, Alt., Rincon del Diablo
Vacant, General Public
Brigette Browning, Alt., General Public

BACKGROUND

Applicant Request

San Diego LAFCO received a change of organization proposal initiated by landowner petition (Ana Diaz Dhillon and Deana Dhillon) requesting approval to annex an incorporated parcel spanning approximately one acre to the Vallecitos WD for the provision of wastewater service.[1] The affected territory is presently undeveloped vacant land within the City of San Marcos and identified by the County of San Diego Assessor's Office as 219-022-33 with an unassigned situs address on Linda Vista Drive with a San Marcos zip code. The affected territory lies immediately outside and contiguous to the Vallecitos WD and associated sphere of influence. Vista Irrigation District will remain the water service purveyor.

Regional Setting

The affected territory lies in north inland San Diego County within the incorporated City of San Marcos. The parcel lies within County Supervisorial District No. 5 (Jim Desmond), Assembly District No. 76 (Darshana R. Patel), and Senate District No. 40 (Brian W. Jones). An aerial map of the affected territory and its regional setting follows with a more detailed map – including the subject parcel and Vallecitos WD – provided as Attachment One.



[1] The change of organization application formally requesting annexation proceedings was filed by developer Bill Cavanaugh (USModular, Inc.) on behalf of the interested landowners.

Subject Agency

The proposed change of organization filed with San Diego LAFCO involves one subject agency: Vallecitos WD.[2] A summary of the subject agency in terms of governance, resident population, municipal functions, and financial standing follows.

- **Vallecitos WD** is an independent special district formed in 1955 and spans approximately 28,800 acres or 45 square miles with an estimated resident population of 105,138. Vallecitos WD's service area includes most of the City of San Marcos as well as portions of the Cities of Carlsbad, Escondido, and Vista; it also extends into adjacent unincorporated territory, including the communities of Twin Oaks and Deer Springs. A five-member elected Board of Directors oversees Vallecitos WD's three active municipal functions: potable water service (retail class); recycled water service (retail class); and wastewater service (collection, treatment, and disposal classes). LAFCO established a sphere of influence for Vallecitos WD in 1985 and was last updated in 2007 with a larger-than-agency designation to include 2,150 non-jurisdictional acres and equals 7.5% of the jurisdictional boundary. Vallecitos WD's audited total net position is $ 320.3 million as of June 30, 2023 with an unrestricted balance of $139.3 million. This includes an ending cash balance of $70.6 million. The ending net position reflects an overall change of 8.0% during the last three audited years.

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]

- City of San Marcos
- County Service Area No. 135 (Regional Communications)
- Metropolitan Water District of Southern California
- North County Cemetery District
- Palomar Healthcare District
- Resource Conservation District of Greater San Diego
- San Diego County Water Authority
- San Marcos Fire Protection District
- Vista Irrigation 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: Palomar Community College District and San Marcos Unified School 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.

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 Vallecitos WD for wastewater services. The Commission may also consider applying approval conditions so long as it does not directly regulate land use, property development, or subdivision requirements. Additional discussion on purpose, current and planned land uses, and Commission focus follows.

Proposal Purpose

The purpose of the proposed change of organization before San Diego LAFCO is to establish public wastewater to the affected territory and in doing so accommodate the planned development of one single-family residence and detached garage as allowed under the City of San Marcos zoning ordinance. Under State Law via LAFCO, the change of organization would make it explicit that Vallecitos WD is the designated wastewater service provider for the affected territory going forward.

Current and Planned Land Uses

The affected territory lies within the incorporated boundaries of the City of San Marcos and is subject to its land use authority and adopted policies. The current land use designation is Rural Residential (RR), with a corresponding zoning classification of Rural Residential-Estate (R-1-20), which allows up to two dwelling units per acre. This zoning requires a minimum parcel size of 20,000 square feet (approximately 0.46 acres) and permits parcel subdivision, potentially yielding a maximum density of four dwelling units. Under standard zoning regulations, only one primary dwelling unit is permitted per parcel. In addition, the City must allow one detached accessory dwelling unit (ADU), one internal ADU, or one junior accessory dwelling unit (JADU), resulting in a total of up to four dwelling units per subdivided parcel.

Commission Focus

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

ANALYSIS

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

Central Policy Items

Item No. 1 | Conforming Sphere of Influence Amendment

The proposed change of organization necessitates San Diego LAFCO consider a conforming sphere of influence action to achieve consistency with the requested jurisdictional change as required under statute and practice. The action involves an amendment to the Vallecitos WD's sphere of influence established by LAFCO. This amendment is premised on LAFCO's overall statutory responsibility to designate spheres to demark the affected agencies' appropriate jurisdictional boundary and/or service area now and into the immediate future.

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

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

  Statute requires LAFCO to prepare municipal service reviews to inform its related task to regularly review and update all local agencies' spheres of influence. The statute further directs LAFCO to perform sphere updates every five years as needed. The most recent municipal service review prepared by LAFCO, germane to the affected territory and subject agency, was completed in 2007. Requiring one or more new municipal service reviews – however, and specific to informing the proposed change of organization – does not appear warranted. This conclusion ties to the relatively limited scope of the amendment and the nature of the underlying request (i.e. modification to Vallecitos WD's jurisdictional boundary with a concurrent sphere amendment to achieve connectivity between the affected territory and the District).

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

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

[4] Reference to Government Codes 56430 and 56425, respectively.

- With respect to **present and planned land uses,** the affected territory as submitted comprises one acre of incorporated territory within the City of San Marcos. The affected territory is presently undeveloped and zoned by the City as Rural Residential-Estate (R-1-20), allowing for one single-family residence and up to three ADUs or JADUs. These present and planned residential uses are readily compatible with the conforming amendment.

- With respect to the **present and probable need for one or more public services,** there is a pending need for public wastewater services within the affected territory to accommodate the otherwise planned development of one single-family residence and avoid the use of an onsite septic system. The present and continued need for public wastewater is readily compatible with the conforming sphere amendment.

- With respect to the **overall adequacy of the agencies' public services,** a 2007 municipal service review on the Vallecitos WD attests to the overall sufficiency of resources (infrastructure, finances, etc.) to continue to provide wastewater service throughout its existing service area. Additional analysis on the ability to accommodate the underlying project is included in the proceeding section. No material deficiencies have been identified by LAFCO staff as part of the proposal review process. The overall adequacy of the wastewater system is readily compatible with the conforming amendment.

- With respect to **social or economic communities of interest if relevant to the agencies,** the affected territory maintains social and economic ties with Vallecitos WD the affected territory lies immediately outside Vallecitos WD's sphere of influence and jurisdictional boundary. Amendment to the sphere to include the affected territory would serve to establish direct social and economic ties between the subject lands and Vallecitos WD and mirror the interests the District maintains within the immediate region.

- With respect to the **present and probable need for services involving any disadvantaged unincorporated communities,** none of the affected territory qualifies under the LAFCO statute.

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

  San Diego LAFCO's policies guiding sphere of influence actions are primarily codified under L-102. This policy was adopted in August 1990 and last substantively updated in June 2000. It directs the Commission to utilize spheres to guide deliberations on future changes of organizations and in doing so – among other growth management objectives – helps reflect and preserve community identities. The policy further directs LAFCO to use spheres to discourage duplication of municipal services and similarly encourages local agency consolidations, whether functional or political. The sphere of

influence amendment necessary to accommodate the proposed change of organization conforms with L-102. Most directly, the amendment would facilitate a known and otherwise modest jurisdictional change.

CONCLUSION |
MERITS OF A CONFORMING SPHERE OF INFLUENCE AMENDMENT

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

Item No. 2 |
Change of Organization Timing

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

An analysis of these two related timing factors follows.

- 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.

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

- With respect to **service needs**, the affected territory's planned uses and specifically the development of one single-family residence merits public wastewater services. Expansion of Vallecitos WD's wastewater service area to include the affected territory for the purpose of making available public wastewater services accommodates this known need and serves as a preferred alternative than operating an onsite septic system.

- With respect to **service availability and capacities,** Vallecitos WD has available and sufficient collection and contracted treatment capacities to accommodate project service demands within the affected territory at its planned maximum uses without expanding any public infrastructure. An existing Vallecitos WD wastewater main is located immediately adjacent to the affected territory within the frontage public right-of-way on Linda Vista Drive. No extension of the public wastewater main is needed. Based on the planned development of one single-family residence, it is projected the average daily wastewater flow generated within the affected territory is 250 gallons per day or one equivalent dwelling unit (EDU). This projected amount can be readily accommodated by Vallecitos WD and represents 0.001% of its available treatment and discharge capacity remaining within its wastewater system. The potential maximum density development of four dwelling units – via one single-family residence and three ADUs or JADUs – increases the consumption usage to 0.004% of available capacity and not considered substantive.[6]

- With respect to **related financial considerations**, Vallecitos WD has adequate financial resources and related administrative controls to provide wastewater services to the affected territory. This comment is reflected in staff analysis of recent audited statements, which shows Vallecitos WD having established relatively healthy levels of liquidity and capital, highlighted by an ending current ratio of 7.7 to 1 and a debt ratio of 23% respectively, as of June 30, 2023. These measurements provide reasonable assurances of Vallecitos WD's overall favorable short and long-term financial outlook.

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

  San Diego LAFCO adopted L-107 in May 2010 to require all applicants to disclose jurisdictional disputes or related items that are associated with their proposal filings with additional details footnoted.[7] No jurisdictional disputes have been disclosed by Vallecitos WD in filing the change of organization proposal. LAFCO staff, similarly, have not identified any disputes or related concerns in the administrative review.

[6] Based on a per equivalent dwelling unit daily wastewater demand estimate of 250 gallons.
[7] The Executive Officer retains discretion to determine the extent of consultation needed.

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

Timing of the change of organization involving the expansion of Vallecitos WD to include the affected territory for purposes of providing wastewater is sufficiently warranted. Justification is marked by the preceding analysis and highlighted by appropriately syncing a planned need with available public facilities and capacities. Additional analysis supporting the conclusion is provided in Appendix A.

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

No modifications to the submitted change of organization have been identified by San Diego LAFCO staff meriting Commission consideration at this time. This includes confirmation that the expansion of Vallecitos WD wastewater service area to cover the affected territory would not generate any corridors or otherwise illogical jurisdictional features. Notably, the proposal does not request – nor is it conditioned upon – the detachment of the affected territory from the Vista Irrigation District (VID). While overlapping service boundaries between Vallecitos WD and VID are generally discouraged, staff is deferring to the consensus reached among the involved parties – Vista ID, Vallecitos WD, and the landowner – to allow Vista ID to remain the water service provider. This limited overlap is being accommodated in recognition of the agencies' mutual support for the arrangement. The outcome represents a practical solution that maintains service continuity without disrupting existing infrastructure.

**CONCLUSION |
MODIFICATIONS AND TERMS**

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

Other Statutory Considerations

Exchange of Property Tax Revenues

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement by the affected local agencies before San Diego LAFCO can consider any jurisdictional change unless an applicable master agreement applies. The associated statutes also empower the County of San Diego to make all related property tax exchange determinations on behalf of special districts. Staff confirmed the County Board of Supervisors has adopted a master agreement to govern the tax exchange for the proposed change of

organization. The master agreement specifies no transfer of property taxes would occur following the proposed change of organization.

Environmental Review

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

- San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendment to the Vallecitos WD associated with the change of organization. It is recommended the Commission find this action is a project under CEQA but exempt from further review under State Guidelines 15061(b)(3). This exemption appropriately applies given it can be seen with certainty spheres are planning policies and any associated actions (establishment, update, or amendment) do not change the environment or authorize any new uses or services.

- San Diego LAFCO serves as lead agency under CEQA for assessing potential impacts of the proposed change of organization and expansion therein of Vallecitos WD's wastewater service area to include the affected territory. It is recommended the Commission find this action qualifies as a project but is exempt from further review under State CEQA Guidelines Section 15319(b) and its cross-reference to Section 15303. This exemption appropriately applies given the associated development 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 the affected territory is uninhabited as defined under LAFCO law (i.e. less than 11 voters); the subject agency has not filed an objection to the waiver; and the landowners have consented to the underlying action.[8]

RECOMMENDATION

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

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

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO:

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

Alternative Two:
Continue consideration to the next regular meeting.

Alternative Three:
Disapprove the change of organization proposal and direct staff to return at the next regular meeting with a conforming resolution for adoption.

PROCEDURES FOR CONSIDERATION

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

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

On behalf of the Executive Officer,

Joelle Burila

Joelle Burila
Analyst I

Appendices:

A) Analysis Proposal Review Factors

Attachments:

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

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APPENDIX A
Government Code Section 56668
Mandatory Proposal Review Factors

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

The affected territory as submitted comprises a one-acre area within the incorporated community City of San Marcos. The subject parcel is currently undeveloped with plans of developing a single-family residence and detached garage. The County of San Diego Assessor's Office identifies the parcel as 219-022-33 with a current assessed *land* value (land and structures) of $122,946 with the last transaction recorded in March 2015.

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 San Marcos serves as the primary purveyor of general governmental services to the affected territory and include community planning and roads. San Diego County Sheriff's Department provides law enforcement. San Marcos Fire Protection District provides fire protection and emergency medical services. Vista Irrigation District is the authorized potable water service provider for the affected territory. This proposal affects only wastewater via the proposed annexation to the Vallecitos WD 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 the Vallecitos Water District's wastewater infrastructure can be readily achieved through the extension of a private lateral line to the existing sewer main located along Linda Vista Drive, which fronts the parcel. The projected average daily wastewater flow for the affected territory at its planned development is 250 gallons. The projected amount can be readily accommodated by Vallecitos WD and represents 0.001% of their available wastewater treatment capacity. The potential maximum density development of four dwelling units – via one single-family residence and three ADUs or JADUs – increases the consumption usage to 0.004% of available capacity.

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

Approval of the proposed change of organization and annexation therein to Vallecitos WD would establish economic and social ties between the District and the affected territory.

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 Vallecitos WD would facilitate the permanent extension of public wastewater services for the planned development of one single-family residence and detached garage and in doing so support the City of San Marcos's 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 the planned construction of a single-family residence consistent with current zoning. The proposal and its anticipated outcomes do not generate any known conflicts with *San Diego Forward*, the regional transportation plan adopted by the San Diego Association of Governments.

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

See the agenda report.

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

See the agenda report.

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

Notice of the submitted change of organization proposal was distributed to all affected and subject agencies as required under LAFCO law. Notices were also provided to all local college and school districts. No written comments on the proposal were received ahead of preparing this agenda report for distribution on April 25, 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 Vallecitos WD overall 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.

- Vallecitos WD's last audit covers FY 2022-2023 and shows the District finished with strong liquidity levels with an agency-wide current ratio of 7.7 (i.e. $7.70 in current assets for every $1.00 in current liabilities).

- Vallecitos WD finished FY 2022-2023 with strong capital levels and highlighted by a low debt ratio of 24% (i.e. only $24.00 out of every $100.00 in net assets are financed).

- Vallecitos WD finished FY 2022-2023 with an overall total margin of (7.72%).

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 the Vista ID's retail potable water system with wholesale supplies provided by the San Diego County Water Authority and the Metropolitan Water District of Southern California. No changes to these service arrangements are proposed. Approval of the proposed change of organization would not affect the timely availability of water supplies to the affected territory.

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

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

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

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

o) Any information relating to existing land use designations.

See above analysis for (h).

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

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

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

- The affected territory's **composite pollution burden ranking** falls in the 71st percentile with an internal range of 28 and 90. Six pollution burdens exceed the 50th percentile and are considered significant; these include Air Quality (Diesel PM), Pesticides, Cleanup Sites, Hazardous Waste, Solid Waste and Impaired Water. Notably, the latter two pollution burdens merit additional attention given rankings of 85% and 90%.

- The affected territory's **composite susceptible population** ranking falls in the 46th percentile with an internal range between 4 and 92 percentiles. Five of these at-risk groups exceed the 50th percentile and are considered significant in magnitude, and include Low Birth Weight, Education, Linguistic Isolation, Poverty and Housing Burden.

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

Census Tract No. 6073020018
Pollution Burdens and Susceptible Population
(Source: California Environmental Protection Agency and SD LAFCO)

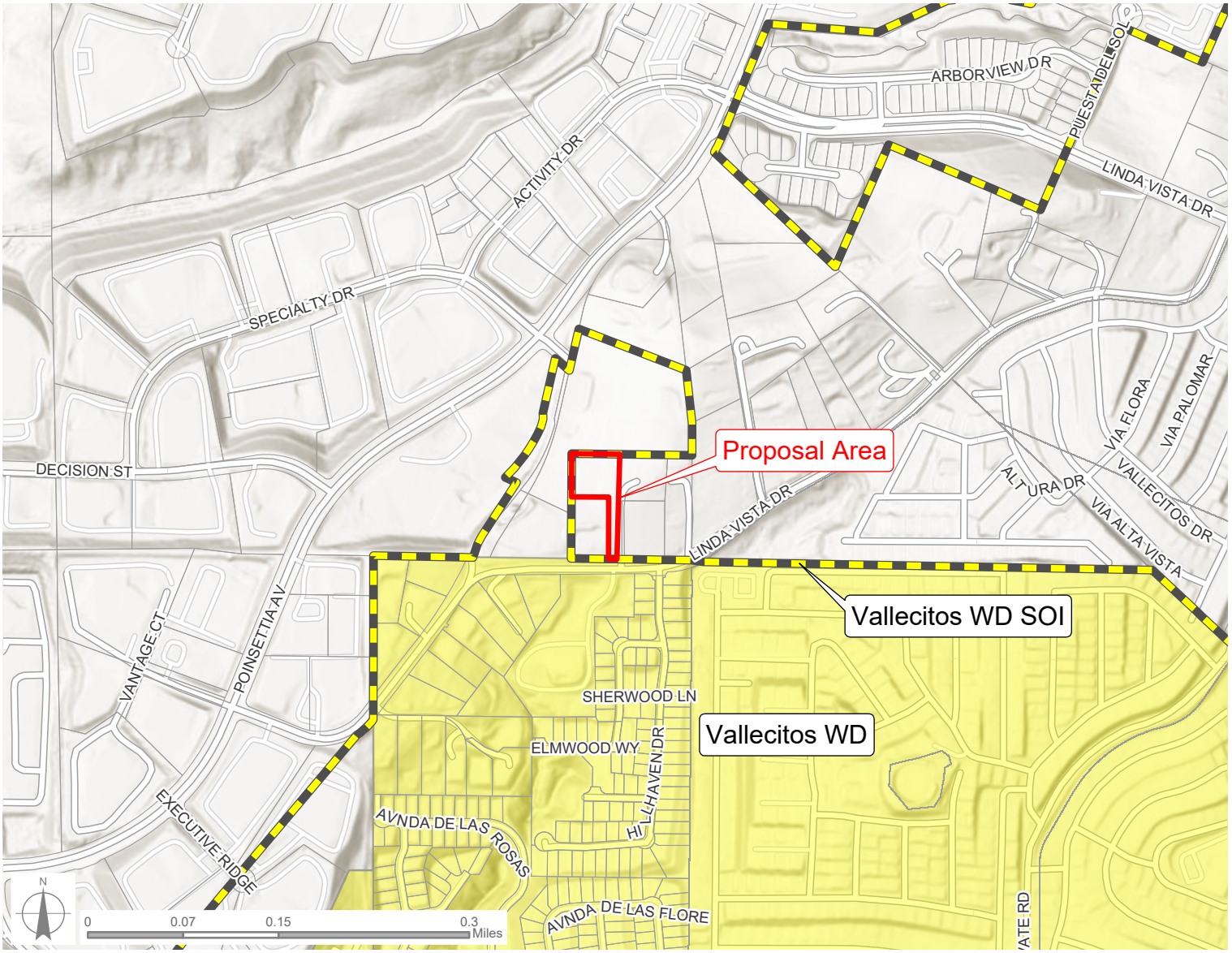
	Affected Territory + Surrounding Lands
Census Tract No.	6073020018
Estimated Population	8,741
Pollution Burden	Weighted Percentile
… Percentile	**71.56**
Indicator | Air Quality: Ozone	37.57
Indicator | Air Quality: PM 2.5:	28.39
Indicator | Air Quality: Diesel PM:	**62.48**
Indicator |Pesticides:	**53.72**
Indicator | Toxic Releases:	32.00
Indicator |Traffic:	41.46
Indicator | Drinking Water Contaminants:	29.70
Indicator | Lead in Housing:	48.99
Effects | Cleanup Sites:	**62.45**
Effects | Groundwater Threats:	37.61
Effects | Hazardous Waste:	**63.60**
Effects | Impaired Water:	**90.13**
Effects | Solid Waste:	**85.09**
Sensitive Population	Weighted Percentile
… Percentile	**46.85**
Population | Asthma:	4.19
Population | Low Birth Weight:	**65.02**
Population | Cardiovascular Disease:	12.99
Population | Education:	**82.99**
Population | Linguistic Isolation:	**89.52**
Population | Poverty:	**92.14**
Population | Unemployment:	5.57
Population | Housing Burden:	**69.91**

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.

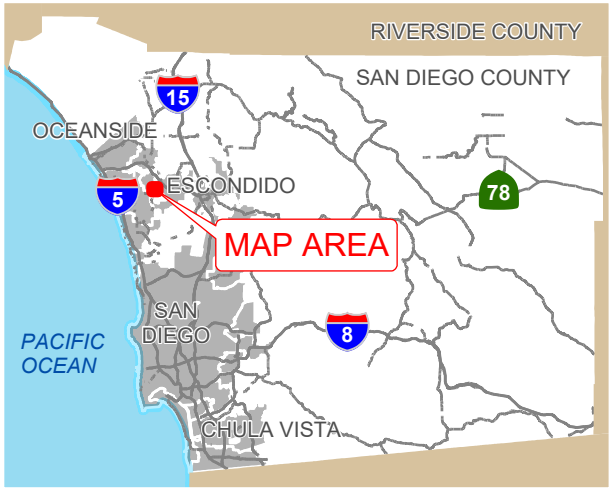
The County of San Diego has adopted a Multi-Jurisdiction Hazard Mitigation Plan for potential fire, flooding, and earthquakes. The affected territory lies within an area not designated as a fire hazard or flood zone and separately designated a "Low" level earthquake zone.

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

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







CO24-13

"CAVANAUGH - LINDA VISTA DRIVE CHANGE OF ORGANIZATION" | ANNEXATION TO VALLECITOS WATER DISTRICT & RELATED SPHERE ACTION

- Proposal Area
- Vallecitos WD SOI
- Vallecitos WD

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 -- 4/16/2025

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RESOLUTION NO. _____

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION

MAKING DETERMINATIONS, APPROVING, AND ORDERING A CHANGE OF ORGANIZATION

"CAVANAUGH – LINDA VISTA DRIVE CHANGE OF ORGANIZATION"
ANNEXATION TO VALLECITOS WATER DISTRICT AND RELATED SPHERE ACTION
LAFCO FILE NO: CO24-13

WHEREAS, on August 19, 2024, interested landowners – Ana Diaz Dhillon and Deana Dhillon – filed a landowner petition to initiate proceedings and an application with the San Diego County Local Agency Formation Commission, hereinafter referred to as "Commission", pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the application seeks approval of a change of organization to annex one-acre of incorporated territory in the City of San Marcos to the Vallecitos Water District (WD);

WHEREAS, the affected territory as proposed includes one legal undeveloped parcel identified by the County of San Diego's Assessor's Office as 219-022-33 with an unassigned situs on Linda Vista Drive with a San Marcos zip code; and

WHEREAS, on December 14, 1982, the County of San Diego and Vallecitos WD 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 Vallecitos WD; 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 of the proposal on May 5, 2025;

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

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

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

2. At the public meeting, the Commission considered the Executive Officer's report.

3. With respect to considering the effects of the proposed change of organization under the California Environmental Quality Act (CEQA), the Commission's makes the following findings:

    - San Diego LAFCO serves as lead agency under CEQA for the conforming sphere of influence amendment to Vallecitos Water District associated with the change of organization. The Commission finds this action is a project under CEQA but exempt from further review under State Guidelines 15061(b)(3). This exemption appropriately applies given it can be seen with certainty that spheres are planning policies and any associated actions (establishment, update, or amendment) in and of itself does not change the environment or authorize any new uses or services.

    - San Diego LAFCO serves as lead agency under CEQA for assessing potential impacts of the proposed change of organization, specifically the annexation and extension of public wastewater service to the affected territory. The Commission finds the proposal qualifies as a project but is exempt from further review under State CEQA Guidelines Section 15319(b) and its cross-reference to Section 15303. This exemption appropriately applies given its accommodation of new construction for one single-family residence in a residential zone.

4. The Commission CONDITIONALLY APPROVES the sphere of influence amendment for Vallecitos Water District to accommodate and otherwise match the change of organization as shown in the vicinity map and provided as Exhibit A.

    a) Approval includes the Commission making findings under Government Code Section 56425 consistent with the statements provided in the accompanying Executive Officer's written report.

    b) Approval is contingent upon the approval and related issuance of a Certificate of Completion for the change of organization.

    c) Approval of the above-stated sphere of influence amendment includes an enabling waiver by the Commission – as recommended by the Executive Officer – of the provision in San Diego LAFCO's Policy L-106 that would otherwise require the preparation of one or more municipal service reviews.

5. The Commission CONDITIONALLY APPROVES the change of organization without modifications subject to conditions as provided subject to recordation of a certificate of completion for the proposal. Approval involves all the following:

    a) Annexation of the affected territory to Vallecitos WD as shown in "Exhibit A-1" and described in "Exhibit A-2"

    b) The sphere of influence for Vallecitos Water District is amended to include the affected territory as shown in "Exhibit A-1."

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

      - A check made payable to San Diego LAFCO in the amount of $3,116.47 to reimburse the public hearing notice published in the San Diego Union Tribune.

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

   "Cavanaugh – Linda Vista Drive Change of Organization".

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 Vallecitos WD is a registered-voter district.

11. Vallecitos WD utilizes the County of San Diego assessment roll.

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

13. The effective date of the approval shall be the date of recordation but not before the completion of a 30-day reconsideration period and only after all terms have been completed as attested by the Executive Officer.

14. 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.

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

16. 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 May 5, 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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SAN DIEGO LOCAL AGENCY FORMATION COMMISSION
CHANGE OF ORGANIZATION OR REORGANIZATION APPLICATION

The **following information must be submitted** when filing a change of organization or reorganization proposal with the San Diego Local Agency Formation Commission (LAFCO); additional information may be requested during review of the proposal.

☑ 1. **Completed CHANGE OF ORGANIZATION OR REORGANIZATION APPLICATION.**

☑ 2. (a) A **certified resolution of application** from an affected city or district; ***or***

(b) A **landowner or registered voter petition** making application to San Diego LAFCO (available from LAFCO or http://www.sdlafco.org/forms/petition.pdf).

☑ 3. A **metes-and-bounds legal description of the proposal territory perimeter** for the proposed boundary change(s), a **reproducible parcel/plat map**, and a **vicinity map.** For information about mapping requirements, refer to: http://www.sdlafco.org/forms/legal_description.pdf, and contact the County Assessor's Mapping Division at 619/531-5588. The Thomas Brother's Guide may be used for the vicinity map.

N/A ☐ 4. **Environmental documentation** to comply with the California Environmental Quality Act (CEQA); submit documents for applicable category only:

(a) INITIAL STUDY: Submit completed form (available from LAFCO) if no environmental review has been conducted;

(b) CATEGORICAL EXEMPTION: Submit document if an agency has certified that the project qualifies for a categorical exemption from CEQA;

(c) NEGATIVE DECLARATION (ND): Submit document with certifying resolution and Initial Study*;

(d) ENVIRONMENTAL IMPACT REPORT (EIR): Submit 15 copies of the Final EIR and certifying resolution, plus one copy of the EIR Appendix*.

* For an ND or EIR, a copy of the receipt for the fee paid to the California Department of Fish and Game must be submitted.

N/A ☐ 5. If annexation to a city is proposed, submit one copy of the **city resolution approving prezoning and general plan land-use designations** for the proposal territory.

N/A ☐ 6. **JURISDICTIONAL CONFLICTS:** If the response to question number 6 on page 3 is "Yes", complete and sign the Policy L-107 form at http://www.sdlafco.org/forms/Legislative_Policy_L_107.pdf.

☑ 7. **Completed CAMPAIGN CONTRIBUTION DISCLOSURE FORM AND EVALUATION CHECKLIST for DISCLOSURE OF POLITICAL EXPENDITURES** (pages 7 and 8 of application).

☐ 8. **PROPERTY-OWNER CONSENT FORM FOR INCLUSION OF PROPERTY** (page 9 of application).

☑ 9. Completed **SUBJECT AGENCY SUPPLEMENTAL INFORMATION FORM** (pages 10-12 of application) from ***each*** subject agency.

☑ 10. **LAFCO processing fees.** The San Diego LAFCO FEE SCHEDULE is available at http://www.sdlafco.org/document/feeschedule.pdf, or contact LAFCO staff.

SAN DIEGO LOCAL AGENCY FORMATION COMMISSION
2550 Fifth Ave. · Suite 725 · San Diego, CA 92103
(619) 321-3380 · www. sdlafco.org

RECEIVED
AUG 19 2024
SAN DIEGO LAFCO

CHANGE OF ORGANIZATION OR REORGANIZATION APPLICATION

The information in this application is used by LAFCO staff to evaluate proposals for changes of government organization. Please respond to all items in this form, indicating "NA" when an item does *not* apply.

SUBJECT AGENCY(IES) (City or Special District)	PROPOSED CHANGE OF ORGANIZATION/ACTION (Annexation, detachment, sphere amendment, etc.)
1. Vallecitos Water District	1. Annexation
2.	2.
3.	3.
4.	4.

As part of this application, the City of San Marcos or the _____ District, USModular Inc. (the applicant), and/or the Ana Diaz Dhillon (real party in interest): subject landowner and/or registered voter agrees to defend, indemnify, hold harmless, and release the San Diego LAFCO, its agents, officers, attorneys, and employees from any claim, action, or proceeding brought against any or all of them, the purpose of which is to attack, set aside, void, or annul San Diego LAFCO's review, approval or denial of this application or adoption of or refusal to adopt the environmental document which accompanies it or any other action San Diego LAFCO takes with respect to this application. This defense and indemnification obligation shall include, but not be limited to, attorneys' fees, expert witness fees and other costs of defense, damages, costs, and expenses, including attorney fees payable to another party. Applicant and/or real party in interest agree that San Diego LAFCO shall have the right to appoint its own counsel to defend it and conduct its own defense in the manner it deems in its best interest and that San Diego LAFCO's taking such action does not limit the obligations to indemnify and reimburse San Diego LAFCO's defense costs. This defense and indemnification obligation shall apply whether or not there is concurrent passive or active negligence on the part of the San Diego LAFCO, its agents, officers, attorneys, or employee. The person signing this application will be considered the proponent for the proposed action(s) and will receive all related notices and other communications. San Diego LAFCO's acceptance of this application is sufficient to make this agreement a binding, bilateral contract between us.

I acknowledge that annexation to the city of N/A or the _____ district may result in the imposition of taxes, fees and assessments ***existing within the (city or district)*** on the effective date of annexation. I hereby waive any rights I may have under Articles XIIIC and XIIID of the State Constitution (Proposition 218) to a hearing, assessment ballot proceeding or an election on those ***existing taxes, fees and assessments.***

Agreed:

Signature: _____ Date: 7/5/2024

Print/Type Name: Bill Cavanaugh

Address: 140 E. Stetson St. Hemet, CA 92543

Telephone: (619 507-2727

Property Address: _____

Cross Street(s): Linda Vista Dr. and Hill Haven Drive

Assessor Parcel Number(s): 219-022-33-00 Acres: 1.0

Indicate below if anyone, in addition to the person signing this application, is to receive notices of these proceedings.

Name: _____

Address: _____

Telephone: ( )

A. PROPOSAL DESCRIPTION/JUSTIFICATION

1. Explain in detail why the proposal is necessary ***at this time*** (e.g., condition of an approved tentative map, an existing structure requires new services, etc.). The owner is planning to develop a new Single Family Residence that will require potable water connection and wastewater connection. Vallecitos Water District has service mains fronting the APN and are able and willing to provide a water service line for the planned improvements.

2. Describe the use of ***developed*** property within the proposal territory, including details about existing structures. Describe anticipated development of ***vacant*** property, including types of buildings, number of units, supporting facilities, etc., and when development is scheduled to occur. The current status of the property is vacant, but it is anticipated to develop into a Single Family Residence with approximately 1620 s.f. living area and one detached garage 768 s.f. depending on plan approvals the project is scheduled to start by the end of this year.

3. Describe the topography and physical features of the proposal territory, as well as its general location in relation to communities, major freeways/highways, roads, etc. The topography of the parcel is relatviely flat with natural surface drainage toward the east. Theproject is located withint he city of san marcos near the intersection of Linda Vista drive and Hill haven St. approximately 2 miles to the San Marcos Freeway 78.

4. How many residents live within the proposal territory? N/A

5. How many of these residents are registered voters? N/A

6. Are there any jurisdictional issues associated with the LAFCO proposal or pending LAFCO action?

☑ NO ☐ YES (If yes, please complete the Policy L-107 form at http://www.sdlafco.org/forms/Legislative_Policy_L_107.pdf)

B. LAND USE INFORMATION

GENERAL PLAN AND ZONING:

If the proposal territory is ***not*** within an incorporated city, San Diego County General Plan and zoning information may be obtained by calling (858) 565-5981 or toll-free (888) 267-8770 with the Assessor Parcel Number(s) of the subject property. If the proposal territory is within a city, please call the appropriate city's planning department for General Plan and zoning information.

1. COUNTY:

   (a) The territory is within the _____ community plan.

   (b) The County General Plan or community plan designation and allowed density: _____

   (c) Current County zoning and allowed density: _____

2. CITY:

(a) The territory is within the general plan area for the City of San Marcos

(b) The City General Plan land use designation and allowed density: Residential

(c) Current City zoning and allowed density: R-1-20

(d) Current City prezoning and allowed density: N/A

3. Indicate below ***all*** permits or approvals that will be needed by the County or any city to complete the project. If already granted, please note the date of approval and attach a copy of each resolution of approval. If approval is pending, please note the anticipated approval date.

Type of Approval or Permit	File No.	Approval Date	Is Resolution Attached?
Tentative Subdivision Map			☐YES ☑NO
Tentative Parcel Map			☐YES ☑NO
Major Use Permit			☐YES ☑NO
City/County General Plan Amendment			☐YES ☑NO
City Prezoning			☐YES ☑NO
County Rezone			☐YES ☑NO
(Other)			☐YES ☑NO

4. Describe the land uses surrounding the proposal territory (e.g., residential, commercial, agricultural, industrial, open space, etc.).

North: Business East: Residential

South: Residential West: Residential

5. Indicate with a ✔ if any portion of the proposal territory contains the following:

☐ Agricultural land uses ☐ Agricultural Preserve

☐ Open Space Easement ☐ Slopes greater than 25%

☐ Sewer moratorium area ☐ Coastal Permit Zone

☐ Unusual features such as:

6. For city annexation proposals: Is any part of the proposal territory under a Williamson Act contract? If yes, please contact the LAFCO office for special instructions regarding petition/resolution of application requirements. ☐YES ☑NO

C. PUBLIC SERVICES INFORMATION

SEWER SERVICE:

1. (a) Is the proposal territory within a district or city that provides public sewer service? ☐YES ☑NO

   (b) ***If yes,*** which agency? _____

2. (a) Is a developed parcel in need of annexation due to failed septic system? ☐YES ☑NO

   (b) ***If yes,*** include a copy of any letters from the San Diego County Department of Environmental Health or private septic-system company.

   (c) ***If no,*** is annexation for sewer service part of this application? ☑YES ☐NO

3. If annexation for sewer service is proposed, which district or city would serve the territory if this jurisdictional change is approved? Vallecitos Water District

4. (a) Has the agency that will be providing service issued a letter of sewer availability? ☑YES ☐NO

   (b) ***If yes,*** please provide a copy of the letter with this application. (This documentation should be completed by the agency no longer than 6 months prior to submittal to LAFCO.)

5. (a) Will the agency be prepared to furnish sewer service upon annexation? ☑YES ☐NO

   (b) ***If no,*** please explain: _____

   _____

WATER SERVICE:

1. (a) Is the proposal territory within a district or city that provides public water service? ☐YES ☑NO

   (b) ***If yes,*** which agency? _____

2. Is a well or other on-site water system currently used on the property? ☐YES ☑NO

3. Is an on-site system proposed to be used when the property is developed? ☐YES ☑NO

4. (a) Is annexation for water service part of this application? ☑YES ☐NO

   (b) ***If yes,*** which district or city would serve the territory if this jurisdictional change is approved? Vallecitos Water District

   (c) Will the agency that will be providing service be prepared to furnish water service upon annexation? ☑YES ☐NO

5. (a) Has the agency that will be providing service issued a letter of water availability? ☑YES ☐NO

   (b) ***If yes,*** please provide a copy of the letter with this application. (This documentation should be completed by the agency no longer than 6 months prior to submittal to LAFCO.)

FIRE PROTECTION SERVICES: NOTE: Complete the following section ***only*** if annexation to a fire protection service provider is proposed—or if the current fire protection service provider is proposed to change.

1. (a) Is the proposal territory ***currently*** within an agency that provides fire protection? ☐YES ☐NO

   (b) ***If yes,*** provide name and address/location of current fire service provider

   _____

   _____

   (c) Provide estimated response times to the proposal territory:

   priority_____ minutes; non-priority_____ minutes

2. Is annexation for fire protection service part of this application? ☐YES ☐NO

3. Which city or district would serve the proposal territory if this jurisdictional change is approved?

   _____

   (a) Location/address of the proposed fire service provider: _____

   _____

   (b) Estimated response times to the proposal territory:

   Priority_____ minutes; non-priority_____ minutes

POLICE PROTECTION SERVICES: NOTE: Complete the following section ***only*** if the police protection provider is proposed to change.

1. Which police agency ***currently*** serves the proposal territory?

   San Marcos Sheriffs Department

   (a) Location/address of nearest police station: 182 Santar Pl., San Marcos, CA 92069

   _____

   (b) Estimated response times to the proposal territory: priority 10 minutes; non-priority 15 minutes

2. Which police agency would serve the proposal territory if this jurisdictional change is approved?

   San Marcos Sheriffs Department

   (a) Location/address of nearest police station:_____

   _____

   (b) Estimated response times to the proposal territory:

   Priority_____ minutes; non-priority_____ minutes

CAMPAIGN CONTRIBUTION DISCLOSURE PROVISIONS

LAFCOs are subject to the campaign disclosure provisions detailed in Government Code Section 84308, and the Regulations of the Fair Political Practices Commission (FPPC), Section 18438.

Please carefully read the following information to determine if the provisions apply to you. If you determine that the provisions are applicable, the Campaign Disclosure Form must be completed and returned to San Diego LAFCO with your application.

1. No LAFCO commissioner shall accept, solicit, or direct a contribution of more than $250 from any party[1] or agent[2] while a change of organization proceeding is pending, and for three months subsequent to the date a final decision is rendered by LAFCO. This prohibition commences when your application has been filed, or the proceeding is otherwise initiated.

2. A party to a LAFCO proceeding shall disclose on the record of the proceeding any contribution of more than $250 made to any commissioner by the party, or agent, during the preceding 12 months. No party to a LAFCO proceeding, or agent, shall make a contribution to a commissioner during the proceeding and for three months following the date a final decision is rendered by LAFCO.

3. Prior to rendering a decision on a LAFCO proceeding, any commissioner who received contribution of more than $250 within the preceding 12 months from any party, or agent, to a proceeding shall disclose that fact on the record of the proceeding, and shall be disqualified from participating in the proceeding. However, if any commissioner receives a contribution that otherwise would require disqualification, and returns the contribution within 30 days of knowing about the contribution and the relevant proceeding, that commissioner shall be permitted to participate in the proceeding.

[1] "Party" is defined as any person who files an application for, or is the subject of, a proceeding.

[2] "Agent" is defined as a person who represents a party in connection with a proceeding. If an individual acting as an agent also is acting as an employee or member of a law, architectural, engineering, or consulting firm, or a similar entity or corporation, both the individual and the entity or corporation are agents. When a closed corporation is a party to a proceeding, the majority shareholder is subject to these provisions.

To determine whether a campaign contribution of more than $250 has been made by you or your agent to a commissioner within the preceding 12 months, all contributions made by you or your agent during that period must be aggregated.

Names of current LAFCO commissioners are available at http://www.sdlafco.org/document/CommRoster.pdf. If you have questions about Government Code Section 84308, FPPC regulations, or the Campaign Disclosure Form, please contact San Diego LAFCO at 2550 Fifth Ave., Suite 725, San Diego, CA 92103, (619) 321-3380.

CAMPAIGN CONTRIBUTION DISCLOSURE FORM

(a) Proposed change(s) of organization: N/A

(b) Name and address of any party, or agent, who has contributed more than $250 to any commissioner within the preceding 12 months:

1. N/A

2.

(c) Date and amount of contribution:

Date _____ Amount $ _____

Date _____ Amount $ _____

(d) Name of commissioner to whom contribution was made:

1. N/A

2.

(e) I certify that the above information is provided to the best of my knowledge.

Printed Name Ang Dhillon & Deana Dhillon

Signature Ang Dhillon Deana Dhillon

Date 7/31/24 Phone 760-487-1700
760-420-1733

To be completed by LAFCO:

Proposal:

Ref. No.

DISCLOSURE OF POLITICAL EXPENDITURES

Effective January 1, 2008, expenditures for political purposes, which are related to a change of organization or reorganization proposal that will be or has been submitted to LAFCO, are subject to the reporting and disclosure requirements of the Political Reform Act of 1974 and the Cortese-Knox-Hertzberg Act of 2000.

Please carefully read the following information to determine if reporting and disclosure provisions apply to you.

- 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 of 1974 (Government Code Section 81000 et seq.) as provided for local initiative measures, and Section 56700.1 of the Cortese-Knox-Hertzberg Act of 2000.
- 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 filed with the Secretary of State and the appropriate city or county clerk. Copies of the report must also be filed with the Executive Officer of San Diego LAFCO.
- A roster of current San Diego LAFCO commissioners is available from the LAFCO office: 2550 Fifth Ave, Suite 725, San Diego, CA 92103, (619) 321-3380, or from http://www.sdlafco.org/document/CommRoster.pdf

EVALUATION CHECKLIST FOR DISCLOSURE OF POLITICAL EXPENDITURES

The following checklist is provided to assist you in determining if the requirements of Government Code Sections 81000 et seq. apply to you. For further assistance contact the Fair Political Practices Commission at 428 J Street, Suite 450, Sacramento, CA 95814, (866) 275-3772 or at http://www.fppc.ca.gov.

1. **Have you directly or indirectly made a contribution or expenditure of $1,000 or more related to the support or opposition of a proposal that has been or will be submitted to LAFCO?**

   ☐ Yes

   ☑ No

   Date of contribution_____ Amount $ _____

   Name/Ref. No. of LAFCO proposal_____

   _____

   Date proposal submitted to LAFCO_____

2. **Have you, in combination with other person(s), directly or indirectly contributed or expended $1,000 or more related to the support or opposition of a proposal that has been or will be submitted to LAFCO?**

   ☐ Yes

   ☑ No

   Date of contribution_____ Amount $ _____

   Name/Ref. No. of LAFCO proposal_____

   _____

   Date proposal submitted to LAFCO_____

3. **If you have filed a report in accordance with FPPC requirements, has a copy of the report been filed with San Diego LAFCO?**

   ☐ Yes

   ☑ No

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. Vallecitos Water District

2. _____

3. _____

Detachment from: 1. N/A

2. _____

3. _____

	Date	Signature	Assessor's Parcel Number(s)
1.	7/30/24		219-022-33-00
2.	7/31/24		219-022-33-00
3.			
4.			
5.			

Attach additional sheets if necessary

SUBJECT AGENCY SUPPLEMENTAL INFORMATION FORM

NOTE: *A copy of this form must be completed and signed by each local agency that will gain or lose territory as a result of the proposed jurisdictional boundary change. Attach additional sheets if necessary.*

Anne Lopez — Anne Lopez

Signature of agency representative — ***Print name***

Engineering Technician II

Title

760-752-7141 — July 25, 2024

Telephone — ***Date***

A. JURISDICTIONAL INFORMATION:

Name of agency:
Vallecistos Water District

1. Is the proposal territory within the agency's sphere of influence? Yes ☑ No ☐
2. Upon annexation, will the proposal territory be included within an assessment district and be subject to assessment for new or extended services? Yes ☐ No ☑
3. Does the agency have plans to establish any new assessment district that would include the proposal territory? Yes ☐ No ☑
4. Will the proposal territory assume any existing bonded indebtedness? Yes ☐ No ☐

   If yes, indicate any taxpayer cost: $_____
5. Will the proposal territory be subject to any special taxes, benefit charges, or fees? Yes ☐ No ☑

   If yes, please provide details of all costs: _____

   _____
6. Is the agency requesting an exchange of property tax revenues as a result of this proposal? Yes ☐ No ☑
7. Is this proposed jurisdictional change subject to a master property tax agreement or master enterprise district resolution? Yes ☐ No ☑
8. FOR CITY ANNEXATIONS: Does the proposal territory contain existing commercial development that generates retail sales of ten million dollars or more per year? Yes ☐ No ☐
9. FOR CITY ANNEXATIONS: If any part of the proposal territory is under a Williamson Act contract, please contact the LAFCO office for special instructions regarding petition or resolution of application requirements.

EXPEDITED PROPOSAL PROCESSING: *Processing of jurisdictional boundary change proposals can be expedited by approximately 60 days if all affected landowners consent to the waiver of protest and termination (conducting authority) proceedings and subject agencies do not oppose the waiver. If you do NOT want to waive these proceedings, then attach a written statement to the subject agency information form containing a signature, date, and declaration of opposition to a waiver of such proceedings.*

B. SEWER SERVICE:

1. What is the agency's current wastewater treatment capacity (expressed in million gallons per day and equivalent dwelling units)? 5 MGD Meadowlark Reclamation Facility plus 10.47 MGD (solids) & 7.67 MGD (liquids) & 7.67 MGD (ocean disposal) at Encina (EWPCF)

2. What is the average volume of influent currently being treated by the agency (expressed in million gallons per day and equivalent dwelling units)? 6.5 MGD - 26,000 EDUs

3. (a) What is the agency's peak flow volume (expressed in million gallons per day)? 15.4 MGD (Outfall)

   (b) What is the agency's peak flow capacity (expressed in million gallons per day)? 12.1 MGD (Outfall)

   (c) Has the agency exceeded the flow (peak) capacity within the past two years? ☑YES ☐NO

   (d) ***If yes,*** please describe the frequency and volume of incidents that exceeded the agency's peak capacity: Once a year during major rain event

4. (a) Has the agency issued a letter of sewer availability for the proposal territory? ☑YES ☐NO

   (b) ***If yes,*** please provide a copy of the letter. (This documentation should be completed by the agency no longer than 6 months prior to submittal to LAFCO.)

5. (a) How many future equivalent dwelling units have been reserved or committed for proposed projects? _____

   (b) Can all projects that have received commitments of sewer availability (e.g., "will serve letters") be accommodated with planned capacity? ☑YES ☐NO

6. (a) Does the agency have the necessary contractual and/or operational treatment capacity to provide sewer service to the proposal territory? ☑YES ☐NO

   (b) ***If yes,*** please specify the proposal territory 's estimated sewer demand and the agency's available sewer capacity (expressed in million gallons per day and equivalent dwelling units):

   (c) ***If no,*** please describe the agency's plans to upgrade capacity to resolve any capacity related issues: _____

7. Will the proposal territory be annexed to a sewer improvement district? ☐YES ☐NO

8. (a) The distance for connection of the proposal territory to the agency's existing sewer system is 0 ft. sewer frontage feet.

   (b) Describe the location of the connection to the agency's existing sewer system:

   Adjacent to the property boundary

C. WATER SERVICE:

1. (a) Does the subject agency have adequate water supply and sufficient contractual and/or operational capacity available to serve the proposal territory? ☑YES ☐NO

   (b) ***If yes,*** describe the proposal territory's estimated water demand and the agency's available water supply and capacity (expressed in acre-feet or million gallons per day):
   0 demand - They will connect to VID facilities

   (c) ***If no,*** what plans does the agency have to increase its water capacity?

2. Specify any improvements (on and off-site) that will be necessary to connect and serve the anticipated development. Indicate the total cost of these improvements and method of financing (e.g., general property tax, assessment district, landowner or developer fees): Customer will not connect to VWD facilities. they will connect to Vista Irrigation Water facilites ☐YES ☑NO

3. (a) Has the agency issued a letter of water availability for the proposal territory? ☐YES ☑NO

   (b) ***If yes,*** please provide a copy of the letter. (This documentation should be completed by the agency no longer than 6 months prior to submittal to LAFCO.)

4. (a) The distance for connection of the proposal territory to the agency's existing water system is ~200 feet.

   (b) Describe the location of the connection to the agency's existing water system:
   none - Customer will connect to Vista Irrigation Water Facilities

5. (a) Is the agency currently under any drought-related conditions and/or restrictions? ☐YES ☑NO

   (b) ***If yes,*** describe the conditions and specify any related restrictions:

6. (a) Will the proposal territory utilize reclaimed water? ☐YES ☑NO

   (b) ***If yes,*** describe the proposal territory's reclaimed water use and the agency's available reclaimed water supply and capacity (expressed in acre-feet or million gallons per day):

   (c) The distance for connection of the proposal territory to the agency's existing reclaimed water system is _____ feet.

   (d) Describe the location of the connection to the agency's existing reclaimed water system:

   (e) ***If no,*** has the agency considered availability of reclaimed water to the proposal territory? ☑YES ☐NO

   (f) What restrictions prevent use of reclaimed water? No Transmission mains for reclaimed water.

7. Will the proposal territory be annexed to an improvement district? ☐YES ☑NO

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: Allow Vallecitos Water District to supply sewer and water to APN 219-022-33-00, Vista Irrigation will remain the water purveyor for this APN.

2. The reason(s) for the proposal are: to supply water and sewer mains to the planned single family residence from Vallecitos Water District

Ana Diaz Dhillon
Proponent's Name (print)

Signature of proponent or representative

3334 Linda Vista Dr.
Proponent's Address

San Marcos, CA 92078
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: Vista Irrigation District to Vallecitos Water District

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

(c) The proposed action(s) will be subject to the following terms and conditions: VID to remain water purveyor within Vallecitos jurisdiction

(d) The reason(s) for the proposal is/are: future Single Family Residence.

(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. Ana Diaz Dhillon — P.O. Box 1063, Cardiff, CA 92007
   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 IVa: REGISTERED VOTER 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 registered voter within the County of San Diego.
- I personally affixed hereto the date of my signing this petition and my place of residence, or if no street or number exists, then a designation of my place of residence that will enable the location to be readily ascertained.

Name of Signer	Residence Address	Date Signed	Official Use
Sign Ana Diaz Dhillon Print Ana Diaz Dhillon	1388 Temple Heights Dr Oceanside, CA 92056	11/5/24	
Sign Deana Dhillon Print Deana Dhillon	PO Box 1063 Cardiff CA 92007	11/5/24	
Sign Print			
Sign Print			
Sign Print			
Sign Print			

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 Ana Diaz Dhillon	219-022-33-00	11/5/24	
Sign _____ Print Deana Dhillon	219-022-33-00	11/5/2024	
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			
Sign _____ Print _____			

Part V: MINIMUM SIGNATURE REQUIREMENT FOR A SUFFICIENT PETITION UNDER THE PROVISIONS OF THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000

Reorganization—Signatures must comply with the applicable signature requirements for each of the changes proposed (Govt. Code § 56864.1).

District Formation—Signatures as required by the principal act under which the new district is proposed to be formed (Govt. Code § 56860).

Dissolution of a District—For registered voter district: signatures by (a) not less than 10% of the registered voters within the district; or (b) not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.
—For landowner-voter districts: signatures by not less than 10% of the number of landowners within the district who also own not less than 10% of the assessed value of land within the district.
—If dissolution is for inactivity, the petition must be signed by three or more registered voters or landowners within the subject district and include statement and recitations as required by Govt. Code 56871 (Govt. Code § 56870).

Consolidation of Districts—For registered voter districts: signatures by not less than 5% of the registered voters within each of the districts.
—For landowner-voter districts: signatures by landowners-voters constituting not less than 5% of the number of landowner-voters owning land within each of the several districts who also own not less than 5% of the assessed value of land within each of the districts (Govt. Code § 56865).

Merger of District with City or Establishment of a Subsidiary District—For a registered voter district: signatures by (a) 5% of the registered voters of the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district.
—For a landowner-voter district: signatures by (a) 5% of the number of landowner-voters within the district; or (b) 5% of the registered voters residing within the territory of the city outside the boundaries of the district (Govt. Code § 56866).

District Annexation or Detachment—For a registered voter district: signatures by (a) not less than 25% of the number of registered voters within the territory proposed to be annexed or detached; or (b) not less than 25% of the number of landowners within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory.
—For a landowner-voter district: signatures by not less than 25% of the number of landowners owning land within the territory proposed to be annexed or detached who also own not less than 25% of the assessed value of land within the territory (Govt. Code § 56864).

Incorporation of a City—Signatures by: (a) not less than 25% of the registered voters residing in the area to be incorporated; or (b) not less than 25% of the number of owners of land within the territory proposed to be incorporated who also own not less than 25% of the assessed value of land within the territory proposed to be incorporated (Govt. Code § 56764).

Disincorporation of a City—Signatures by not less than 25% of the registered voters residing in the city proposed to be disincorporated (Govt. Code § 56766).

Consolidation of Cities—Signatures by not less than 5% of the registered voters of each affected city (Govt. Code § 56766).

Annexation to a City—Signatures by: (a) not less than 5% of the number of registered voters residing within the territory proposed to be annexed; or (b) not less than 5% of the number of owners of land within the territory proposed to be annexed who also own 5% of the assessed value of land within the territory (Govt. Code § 56767).

Detachment from a City—Signatures by: (a) not less than 25% of the number of registered voters residing within the territory proposed to be detached; or (b) not less than 25% of the number of owners of land within the territory proposed to be detached who also own 25% of the assessed value of land within the territory (Govt. Code § 56768).

EXHIBIT A
ANNEXATION NO. 2024-XXX
TO THE VALLECITOS WATER DISTRICT,
SAN MARCOS

GEOGRAPHIC DESCRIPTION

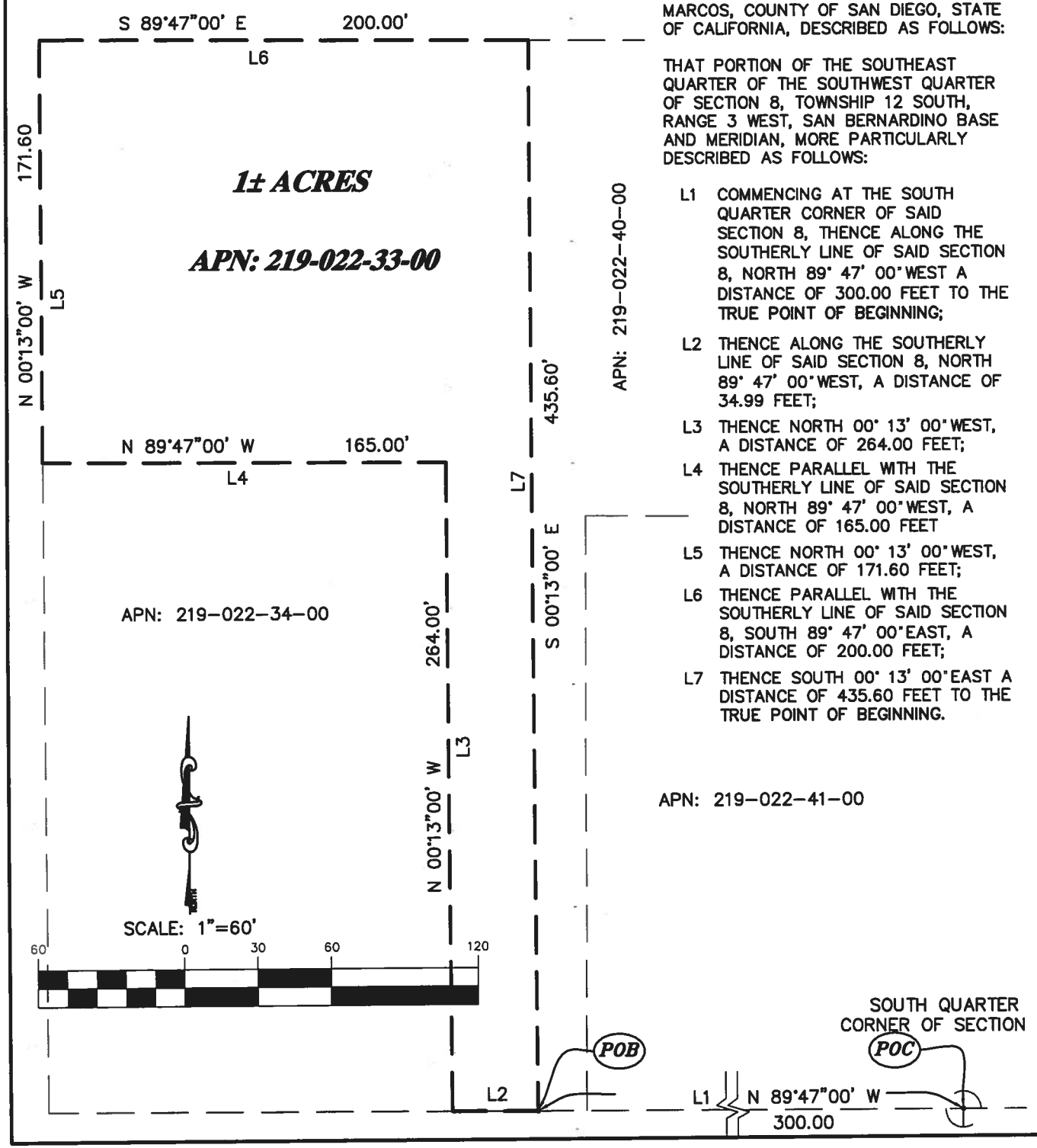
REAL PROPERTY IN THE CITY OF SAN MARCOS, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 12 SOUTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

L1 **COMMENCING** AT THE SOUTH QUARTER CORNER OF SAID SECTION 8, THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 8, NORTH 89° 47' 00" WEST A DISTANCE OF 300.00 FEET TO THE **TRUE POINT OF BEGINNING**;
L2 THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 8, NORTH 89° 47' 00" WEST, A DISTANCE OF 34.99 FEET;
L3 THENCE NORTH 00° 13' 00" WEST, A DISTANCE OF 264.00 FEET;
L4 THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID SECTION 8, NORTH 89° 47' 00" WEST, A DISTANCE OF 165.00 FEET
L5 THENCE NORTH 00° 13' 00" WEST, A DISTANCE OF 171.60 FEET;
L6 THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID SECTION 8, SOUTH 89° 47' 00" EAST, A DISTANCE OF 200.00 FEET;
L7 THENCE SOUTH 00° 13' 00" EAST A DISTANCE OF 435.60 FEET TO THE **TRUE POINT OF BEGINNING.**

THE AREA CONTAINS **1** ACRE OF LAND MORE OR LESS.

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 the land described.

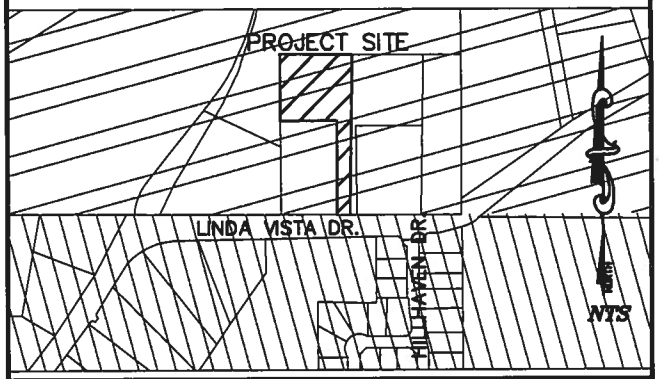


REAL PROPERTY IN THE CITY OF SAN MARCOS, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 8, TOWNSHIP 12 SOUTH, RANGE 3 WEST, SAN BERNARDINO BASE AND MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

- L1 COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 8, THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 8, NORTH 89° 47' 00" WEST A DISTANCE OF 300.00 FEET TO THE TRUE POINT OF BEGINNING;
- L2 THENCE ALONG THE SOUTHERLY LINE OF SAID SECTION 8, NORTH 89° 47' 00" WEST, A DISTANCE OF 34.99 FEET;
- L3 THENCE NORTH 00° 13' 00" WEST, A DISTANCE OF 264.00 FEET;
- L4 THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID SECTION 8, NORTH 89° 47' 00" WEST, A DISTANCE OF 165.00 FEET
- L5 THENCE NORTH 00° 13' 00" WEST, A DISTANCE OF 171.60 FEET;
- L6 THENCE PARALLEL WITH THE SOUTHERLY LINE OF SAID SECTION 8, SOUTH 89° 47' 00" EAST, A DISTANCE OF 200.00 FEET;
- L7 THENCE SOUTH 00° 13' 00" EAST A DISTANCE OF 435.60 FEET TO THE TRUE POINT OF BEGINNING.

VICINITY MAP -- SAN MARCOS, CALIFORNIA



LEGEND:

- PROPOSED VALLECITOS WATER DISTRICT BOUNDARY
- PARCEL LINE
- VALLECITOS WATER DISTRICT
- VISTA IRRIGATION WATER DISTRICT
- POB POINT OF BEGINNING
- POC POINT OF COMMENCEMENT

DISCLAIMER:

"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 THE LAND DESCRIBED."

ASSESSOR PARCEL NUMBER	AREA (ACRES)
219-022-33-00	1 ±

DATE:	SCALE	JTE JOB No.
07-12-2024	1"=60'	1624

EXHIBIT B
ANNEXATION NO. 2024-XX
TO THE VALLECITOS WATER
DISTRICT, SAN MARCOS

JT ENGINEERING
ENGINEERING TECHNOLOGY
*Civil/Structural Engineering * Planning * Land Surveying*
33336 N. Agua Dulce Cyn. Rd, #103, Agua Dulce, CA 91390
Phone (661) 268-8899 Fax (661) 268-1936
www.jtengineering.com

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

7a

AGENDA REPORT
Business | Action

May 5, 2025

TO: Chair Whitburn and Commissioners

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

SUBJECT: **Proposed Policy | Financial Accounting and Internal Controls**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider approving a policy establishing formal rules and procedures for financial accounting and related reporting. This item ties to the adopted workplan and returns to the Commission largely intact following its initial presentation in March 2025 and marked by addressing reporting responsibilities, capitalization thresholds, and fraud prevention. Revisions include addressing provisions in surplus assets. It is recommended the Commission approve the proposed policy with any requested changes.

BACKGROUND

Current Workplan & Direction to Develop Formal Accounting Policies + Related Prompts

San Diego LAFCO's current workplan was adopted at a noticed public hearing in May 2024 and includes 30 specific projects for the fiscal year. One of the workplan projects involves the establishment of formal accounting policies and related procedures and in doing so address two recent recommendations made by LAFCO's current outside auditor – O'Conner and Associates (San Rafael). The prompting observations and recommendations follow.

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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 A. Drake, Alt., Rincon del Diablo
Vacant, General Public
Brigette Browning, Alt., General Public

- **FY2020-2021 Audit Observation + Recommendation:**

  "During the course of our audit, we noted that LAFCO does not have a formal accounting, administrative, and fraud procedures manual. This manual would document LAFCO's internal controls to safeguard assets and accounting records. This manual would also note LAFCO's policies regarding prevention, detection, and deterrence of fraud and would serve as a training guide for new employees."

  > "We recommend LAFCO develop and maintain an up-to-date accounting, administrative, and fraud procedures manual."

- **FY2021-2022 Audit Observation + Recommendation:**

  "During our audit, we noted that LAFCO does not have a formal policy for accounting for leases based on GASB 87 guidance. This policy would document LAFCO's internal controls and processes in determining whether GASB 87 guidance applies to potential lease arrangements and capitalization thresholds. This policy would also outline the process for estimating and recording leases and right to use assets.

  > "We recommend LAFCO consider formalizing a capitalization policy for lease liabilities and the right to use assets over $40,000. We also recommend keeping lease terms month to month or as annual leases whenever possible."

DISCUSSION

This item is for San Diego LAFCO to consider approving a proposed policy — to be formally designated Fiscal Policy 102 (F-102) — establishing rules and procedures for financial accounting, internal controls, and related reporting while also addressing recommendations made by the Commission's outside auditor as summarized above. The policy remains largely intact from its initial presentation detailed in March and organized to address all of the following provisions:

- Goals and Objectives
- Administration
- Fund Type
- Reconciliations and Reporting
- Payroll and Benefits Administration
- Payments Received and Made
- Documentation
- Asset and Liability Management
- Surplus Property
- Lease and Right to Use Capitalization
- Investments (*placeholder for future policy development*)
- Fraud Prevention

Since its initial presentation, the policy has been revised to include procedures for managing LAFCO-owned surplus property. These provisions outline how surplus items—such as office furniture, equipment, and appliances—may be assessed, donated, or sold. Under the policy:

- The Executive Officer may approve donations or sales at less than fair market value when the item's value does not exceed $10,000.
- Items exceeding $10,000 in estimated value require Commission approval.
- Unsalable or unsuitable items may be scrapped or donated to qualified charitable organizations in lieu of disposal.
- All transactions will be documented, including item descriptions, recipients, estimated value, and transfer dates.

A redlined version of the proposed policy, showing revisions since the March draft, is provided as Attachment One. The investment policy section remains a placeholder, with a commitment to revisit and formalize it at a future date.

ANALYSIS

The proposed policy – Fiscal Policy 102 – before San Diego LAFCO returns largely unchanged from its draft form, with revisions focused on surplus asset procedures. The policy is scaled to reflect LAFCO's operational context and its financial relationship with the County of San Diego, including continued use of the County Treasurer's Office as the primary depository and reliance on the County Auditor-Controller for payment processing. The policy sets defined thresholds for financial transactions and the capitalization of lease liabilities and right-to-use assets, consistent with recent audit recommendations. It also now includes procedures for identifying, documenting, and disposing of surplus property.

RECOMMENDATION

It is recommended San Diego LAFCO approve the proposed policy on financial accounting and internal controls with any additional revisions. This recommendation is consistent with Alternative One outlined in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternative actions are available to San Diego LAFCO:

Alternative One (recommended):
Approve the proposed policy on financial accounting and internal controls, as provided in Attachment One, with any desired revisions, and establish an immediate effective date. Authorize the Executive Officer to make any technical or non-substantive edits as needed.

Alternative Two:
Continue consideration of the item to a future meeting and provide direction to staff for additional information as needed.

Alternative Three:
Take no action.

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO'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 unless waived.
2) Invite comments from interested audience members (voluntary).
3) Commission discussion.
4) Consideration of staff recommendation.

On behalf of the Executive Officer,



Priscilla Mumpower
Assistant Executive Officer

Attachment:

1) Proposed Policy on Financial Accounting and Internal Controls (with track-changes)

Agenda Item No. 7a | Attachment One

Subject:

FINANCIAL ACCOUNTING AND INTERNAL CONTROLS

Purpose:

Serve as rules and procedures to ensure accurate and consistent financial accounting records as well as related roles and responsibilities.

Background:

The Commission is responsible under State law to establish its own provisions for necessary quarters, equipment, supplies, and personnel as an extension of the California Legislature. The Commission may also choose to contract with any public agency or private party in carrying out its statutory and administrative duties (Government Code Section 56380).

Policy:

It is the policy of the Commission:

1. Goals and Objectives:

    a) Apply these rules and procedures with the following objectives in mind:

        - Balance efficiencies and risks to ensure long-term financial stability.
        - Foster accountability by clearly defining roles and responsibilities.

2. Administration:

    a) The Commission shall be solely responsible for the financial management and accounting of its funds with day-to-day responsibilities delegated to the Executive Officer.

    b) Notwithstanding the above delegation, the Commission may contract with other public agencies and private parties to assist with managing financial accounting tasks identified in this policy – including but not limited to – bookkeeping.

3. Fund Type:

   a) The Commission exclusively utilizes governmental funds at this time and accordingly is only responsible for the preparation and issuance of government-wide financial statements.

   b) Fund balance classifications are separately addressed in Policy F-101.

4. Reconciliations and Reporting:

   a) The Commission Clerk or other designee shall reconcile account statements provided by the County of San Diego and any commercial banking institution on a monthly basis using a professional accounting software system.

   b) The Executive Officer shall report all payments made and received to the Commission at the next available meeting for formal ratification.

   c) The Executive Officer shall provide quarterly financial updates to the Commission identifying actual year-to-date expenses and revenues relative to adopted budgeted amounts.

   d) Unless otherwise directed by the Commission, the Executive Officer shall arrange for an annual or biennial audit of its financial statements by an independent accounting firm. The resulting audit report – including the firm's opinion – shall be presented to the Commission for formal receipt.

5. Payroll and Benefits Administration:

   a) The Commission determines pay and related benefits for all employees.

   b) All employees shall submit biweekly timesheets for approval by the Executive Officer and subsequent payroll processing.

   c) At the present time, the Commission contracts the County of San Diego and its surrogate – San Diego County Employee Retirement Association – to administer biweekly payroll and benefits.

6. Payments Received and Made:

a) The Commission shall use the County of San Diego and its Treasurer's Office to serve as a central depository for all payments received – including all local agency apportionments. The Commission shall relatedly use accounts held with the County to transact most day-to-day payments as well as manage reserves consistent with Policy F-101.

b) The Commission may also establish and use one or more local banking institutions for the primary purpose of transacting expedited payments. The combined account balances with all commercial banks shall not exceed 15% of the total balance held with the County of San Diego.

c) Biweekly payroll payment shall be distributed by electronic transfer or check using accounts maintained with the County of San Diego. All employees are responsible for providing proof of identification and any other forms as requested by the County necessary to receive paychecks.

d) All Commission vendors and contractors must provide the Commission Clerk a completed "Request for Taxpayer Identification Number and Certification (W-9)" unless their total payment over a calendar year is below $600. The Commission Clerk will provide Form 1099s to all qualifying vendors and contractors as early as possible each calendar year.

e) All vendor and contractor payments at or above $15,000 shall be paid by the Commission using accounts held with the County of San Diego – whether by check or electronic transfer.

f) Any vendor and contractor payments less than $15,000 may be paid either using accounts held with the County of San Diego or with commercial banking institutions – whether by check, electronic transfer, or credit card.

g) Any check stock associated with the Commission's commercial banking institutions shall be kept in a secure location by the Commission Clerk, within the San Diego LAFCO office, accessible only to authorized personnel. The Executive Officer and Assistant Executive Officer are authorized signatories.

h) With the prior approval of the Commission, the Executive Officer may open credit lines (e.g., credit cards). No credit payment shall exceed $15,000. The Executive Officer and Assistant Executive Officer shall be authorized users of any approved lines of credit.

7. Documentation:

   a) All payments made by the Commission – whether through the County of San Diego, commercial banking institution, or credit line – shall include original documentation. Should original documentation be unavailable, the Executive Officer shall use their discretion in approving.

8. Asset and Liability Management:

   a) Physical assets acquired through purchase or contribution with unit costs or fair market values at or above $7,500 – respectively – and with useful life expectations of three or more years shall be capitalized assets on the financial statements. All other assets shall be expensed in the year purchased.

   b) Capitalized assets, with the exception of land, are subject to a straight-line depreciation method over their estimated useful lives.

   c) Repairs of capitalized assets shall be expensed as incurred so long as the repairs do not add value and/or extend their useful life.

   d) The Commission Clerk or designee shall ensure an inventory log listing all capitalized assets is maintained and updated annually. The inventory log shall include date of acquisition, cost, repairs (if applicable), and estimated useful life.

9. Surplus Property:

   a) Staff shall periodically assess inventory and identify items considered surplus. Items may include, but are not limited to:

      - Office furniture (e.g., desks, chairs, filing cabinets), equipment and appliances (e.g., monitors, refrigerators, printers)

   b) Surplus items may be donated or sold to local public agencies, nonprofit organizations that are tax-exempt under Section 501(c)(3), and educational institutions.

      - Donation or sale at less than fair market value of LAFCO-owned surplus property items may be approved by the Executive Officer when the estimated fair market value, as determined by the Executive Officer, does not exceed $10,000.

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- Donation or sale at less than fair market value of LAFCO-owned surplus property items requires LAFCO Commission approval when the estimated fair market value, as determined by the Executive Officer, exceeds $10,000.

c) LAFCO-owned surplus property that is restricted from sale by law, determined to be unsalable, or deemed unsuitable for public sale may be scrapped or donated to charitable organizations in lieu of disposal.

d) A record of all surplus property donations will be maintained and documented to include item descriptions, recipient details, estimated value (if available), and date of transfer.

10. Lease and Right to Use Capitalization:

a) The Commission should avoid entering leases and right to use asset agreements with a duration of more than one year unless such lease or agreement provides preferred pricing or another significant business advantage.

b) Leases liabilities and right to use assets that are not classified as short-term and whose aggregate payments made or received exceed $40,000 will be capitalized in compliance with GASB 87.

11. Investments:

a) The Commission shall establish policies and procedures on investments at a later date.

12. Fraud Prevention:

a) The Commission defines fraud as the intentional, false representation or concealment of a material fact(s) for the purpose of personal gain or for the purpose of inducing another to act upon it to his or her injury. This includes any of the following circumstances involving employees, contractors, vendors, and/or members:

- Forgery or alteration of any Commission document(s).
- Forgery or alteration of any reimbursement claim.
- Forgery or alternation of any employee timecard.
- Misappropriation of Commission funds, supplies, or other assets.

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- Impropriety reporting of Commission funds or financial transactions.
- Unauthorized disclosure of confidential or proprietary Commission information.
- Acceptance or solicitation of material value from Commission contractors, vendors, or persons providing goods or services.
- Destruction, removal or inappropriate use of Commission records or property – including but not limited to, furniture, fixtures or equipment.
- Personal use of any Commission lines of credit.

b) Any fraud that is suspected or detected shall be reported to the Executive Officer and, alternatively, to Commission Counsel.

c) If the suspicion is deemed credible, responsibility for investigating suspected fraudulent acts shall be conducted by the Executive Officer or Commission Counsel and reported immediately to the Commission Chair.

d) The Chair shall use reasonable discretion in assessing intent when evaluating potential fraudulent actions and determining whether corrective action shall also include reporting to the full Commission.

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

7b

AGENDA REPORT
Business | Information

May 5, 2025

TO: Chair Whitburn and Commissioners

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

SUBJECT: **La Jolla Incorporation Proposal**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive an update on the proposed "City of La Jolla Special Reorganization" and the concurrent requested actions to detach the community from the City of San Diego and incorporate as the City of La Jolla. 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. This item is for information only.

BACKGROUND

Applicant

The Association for the City of La Jolla is a 501(c)(6) nonprofit and serves as the applicant for the proposed special reorganization. A five-member Board of Directors governs the Association with Trace Wilson and Diane Kane serving as President and Vice President, respectively. The other Board members are Mary Munk, Sharon Wampler, and Ed Witt. Legal services are provided by Paula de Sousa with Best Best and Kreiger.

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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
Vacant, General Public
Brigette Browning, Alt., General Public

Preliminary Fiscal Analysis

Consistent with LAFCO policy, the applicant previously contracted with Berkson Associates to prepare a preliminary fiscal analysis for the proposed special reorganization. The preliminary analysis was completed in January 2024 and – among other things – projects a net revenue surplus for general government services (excludes enterprise and other business type funds) without any new taxes at $8.982 million starting in Year One (FY2027). The preliminary analysis also projects revenue neutrality payments to the City of San Diego – i.e., making San Diego financially whole – at $8.529 million, leaving La Jolla with an adjusted net surplus of $0.500 million. A copy of the Executive Summary is attached.

Application + Petition Process

Applicants filed a notice of intent to circulate a registered voter petition with the LAFCO Executive Officer in May 2024 to proceed with a special reorganization to concurrently detach the approximate 14 square mile area from City of San Diego and incorporate as City of La Jolla. Proposed boundary covers three distinct neighborhoods – Village, Shores, and Bird Rock – with an estimated resident population of 47,000. Also included in the proposed boundary is Scripps Memorial Hospital and Torrey Pines State Park. UCSD campus is not included. A map of the proposed boundary is attached.

The Petition process was formally initiated on Memorial Day Weekend with first and last signatures collected during a six-month period ending in December 2024. Applicants proceeded to file their petition with a completed application packet – including the above referenced preliminary fiscal analysis and deposit for $66,000 – with LAFCO in January 2025. Initial validation of the petition showed the applicants falling (3%) short of the 25% threshold with the applicants immediately proceeding to file a supplemental petition over a 15-day window as allowed under statute. Validation of the supplemental petition also showed the applicants initially falling (1%) short before successfully contesting more than 200 discounted petition signatures to meet the 25% threshold.[1]

DISCUSSION

Next Steps + Comprehensive Fiscal Analysis

This agenda item is for San Diego LAFCO to receive an update on the La Jolla incorporation proposal now that the petition process has been successfully completed by the applicant. Most immediate next steps involve LAFCO staff selecting an outside consultant to perform a comprehensive fiscal analysis (CFA) – draft and final – as required under statute and doing so with input from the applicant and City of San Diego. The CFA's underlying function is to inform LAFCOs' decision-making and whether a proposed new city will receive sufficient revenues to provide public services and ensure reasonable reserves during the first three

[1] Consistent with LAFCO statute, the Executive Officer performed the review of the applicant's contesting of discounted petition signatures by the ROV under Government Code Section 56704. This statute directs LAFCO to accept petitions so long as each person signs and dates along with affixing sufficient information to "readily ascertain" place of residence.

fiscal years while avoiding fiscal impacts to other agencies. LAFCO cannot approve an incorporation unless making a "revenue neutral" finding with or without the assistance of applying mitigation measures. It is expected a draft CFA will take up to one year to complete.

A timeline showing all pertinent proposal processing milestones is attached.

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 for information as part of the business calendar. The following procedures are suggested.

1) Receive verbal presentation from staff unless waived.
2) Discuss item and provide feedback as appropriate.

On behalf of the Executive Officer,

Michaela Peters

Michaela Peters
Analyst II

Attachments:

1) Preliminary Fiscal Analysis, Executive Summary
2) Map of the Proposed Incorporation Boundary
3) Timeline

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1. THE PROPOSED CITY OF LA JOLLA

OVERVIEW OF LA JOLLA

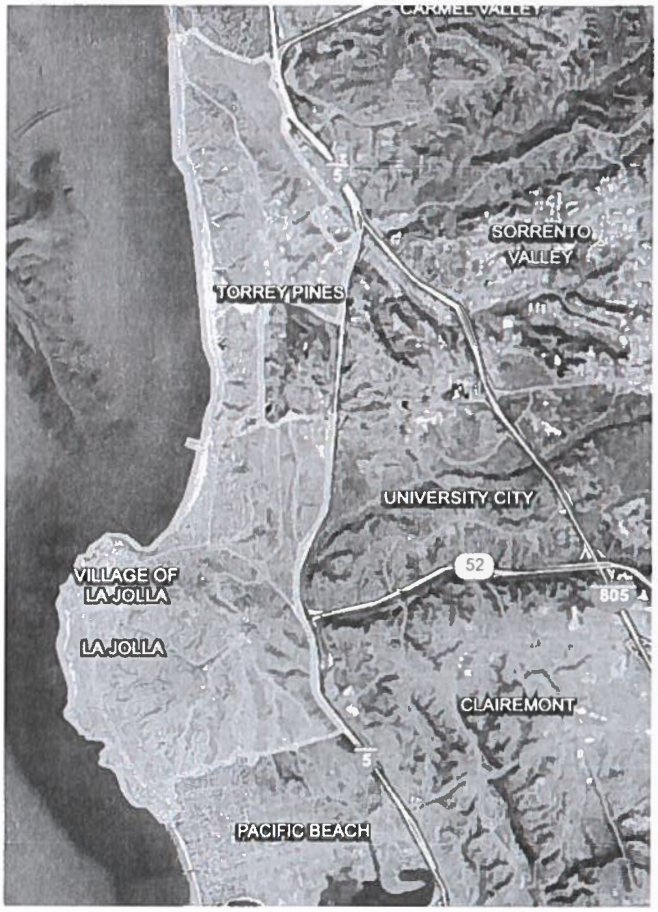
This Preliminary Comprehensive Fiscal Analysis (PCFA) provides an evaluation of the financial feasibility of the proposed City of La Jolla's services and revenues compared to expenditures. This financial evaluation is required by the Local Agency Formation Commission (LAFCO) as part of an application to LAFCO to initiate the incorporation process.

Figure 1 shows the proposed City of La Jolla boundary spanning about 14 square miles and home to nearly 40,000 residents.

The boundary borders UC San Diego and the City of San Diego, and the City of Del Mar along La Jolla's northern boundary. The City falls largely in the 92037 zip code.

Item	La Jolla	City of San Diego	La Jolla as a % of San Diego
Population	38,277	1,368,395	2.8%
Registered Voters	23,050	794,643	2.9%
Employment (Jobs)	18,700	822,407	2.3%
Land Area (sq.mi.)	14.3	325	4.4%
Assessed Value (bill.)	$25.4	$350.0	7.3%
Roads (centerline mi.)	151	3,045	5.0%

Figure 1 Proposed Boundary of City of La Jolla



As shown in **Figure 1**, the proposed City of La Jolla boundary follows the natural topography of La Jolla and major arterials including the I-5 freeway bounding La Jolla, preserving the integrity of existing La Jolla neighborhoods. The main campus of UC San Diego is excluded. **Appendix 1** includes additional information about the boundary and estimated population. LAFCO will review the proposed boundary upon receipt of an incorporation application and may evaluate boundary and service alternatives.

OBJECTIVES OF INCORPORATION

A new City of La Jolla would benefit the City of San Diego in a number of ways:

- Reduce the scope and scale of City of San Diego responsibilities and costs, and increase focus on the balance of the City
- Increase regional economic benefits by maintaining and improving La Jolla's attractiveness as a visitor destination
- Eliminate La Jolla liabilities from the City of San Diego's financial statements including deferred maintenance, infrastructure maintenance and replacement, and a portion of unfunded pension and other liabilities
- Relieve San Diego residents of paying for certain services and infrastructure (e.g., sewer and water) in La Jolla that may be more costly, and which effectively would reduce rates for other San Diego residents

Incorporation of a new city provides a number of benefits to the residents of La Jolla:

- Local control of land use planning and approval
- La Jolla elected council members will determine the use of locally generated revenues for La Jolla service and infrastructure needs and priorities
- Management and coordination of public services to improve maintenance of beaches, natural resources, and infrastructure serving La Jolla and San Diego
- Increase access to local officials and improve accountability for local services and infrastructure. La Jolla residents will be represented by five elected council members; currently one San Diego councilmember represents La Jolla and other parts of San Diego with a total population nearly four times La Jolla

The benefits of incorporation require a financially sustainable City of La Jolla, strong and engaged local leadership, and a positive collaborative relationship between the City of La Jolla and the City of San Diego. The City of La Jolla will inherit a share of the City of San Diego's obligations, debts, and liabilities including deferred maintenance costs for infrastructure and facilities and will be responsible for payments to the City of San Diego to assure the incorporation causes no adverse impacts.

CITY OF LA JOLLA FINANCIAL FEASIBILITY

As shown in **Table 1a** and further detailed in **Appendix 3**, annual revenues exceed expenditures and provide a contingency before revenue neutrality payments to the City of San Diego. The analysis is based on La Jolla's formation as a "General Law" city and follows statutes in State law the determine various aspects of city governance, revenues and expenditures. No new city in California formed in the past forty years or more have been formed as a charter city due to the additional cost, complexity and generally reduced flexibility; a city charter prescribes and tailors city governance in ways that may differ from State statutes (for example, transfer taxes can be increased by a charter, but are fixed for General Law cities) however changing the charter requires voter approval.

LAFCO will prepare a more Comprehensive Fiscal Analysis (CFA) after it receives an application for incorporation. LAFCO must find that the proposed city "is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following incorporation."[1] The CFA will refine the estimates contained in this PCFA and results may change from those shown. Future budget conditions and other factors also will influence actual results.

Results are in constant 2023 dollars to illustrate real changes over time. **Table 1b** converts the projections into future nominal dollars by overlaying inflation; inflation increases revenues, expenditures, and the net difference, but does not change the finding of feasibility.

Chapter 4 describes the preliminary revenue neutrality estimate in greater detail.

[1] Gov. Code Sec. 56720(e)

Table 1a Summary of City of La Jolla Budget Forecast (constant 2023 dollars)

Item	Transition Yr FY2026-27	FY2027-28	FY2028-29
REVENUES			
Property Tax	$43,992,000	$44,330,000	$44,671,000
Sales Tax	4,384,000	4,384,000	4,384,000
Transient Occupancy Tax	24,971,000	25,695,000	26,440,000
Revenue: Money & Property	0	0	0
Charges for Current Services	3,877,000	3,885,000	3,892,000
Franchise Fees	2,690,000	2,695,000	2,700,000
Other Revenues	3,885,000	3,902,000	3,919,000
Total Revenues	**$83,799,000**	**$84,891,000**	**$86,006,000**
EXPENDITURES			
Management & Admin.	$8,465,000	$8,278,000	$8,491,000
Police	18,126,000	18,126,000	18,126,000
Animal Control	380,000	380,000	380,000
Fire	15,983,000	15,983,000	15,983,000
Lifeguard	12,229,000	12,229,000	12,229,000
Community Development	2,543,000	2,543,000	2,543,000
Public Works	7,556,000	7,556,000	7,556,000
Library	1,019,000	1,019,000	1,019,000
Parks and Recreation	3,785,000	3,785,000	3,785,000
Economic Development	479,000	480,000	481,000
General Services	281,000	281,000	281,000
Other OH/Admin.	3,190,000	3,181,000	3,191,000
Other (cultural grants)	781,000	781,000	781,000
Total Expenditures	**$74,817,000**	**$74,622,000**	**$74,846,000**
ANNUAL NET	**$8,982,000**	**$10,269,000**	**$11,160,000**
(less) Revenue Neutrality	**($8,529,000)**	*tbd*	*tbd*
NET	**$453,000**		

Note: totals may not match Table B-4a due to rounding. *1/29/24*

The La Jolla budget strives to "right size" local services to fit the needs, interests and issues of La Jolla residents and businesses, while maintaining and improving current service levels. The City of La Jolla can take advantage of certain "efficiencies of scale" through contracts with other service providers and be in a position to focus its resources on issues of direct concern to La Jolla. Over time the City of La Jolla may choose to transition to other providers or create City departments if they demonstrate cost efficiencies and improved service effectiveness.

Table 1b Summary of City of La Jolla Budget Forecast (nominal dollars)

Item	Transition Yr FY2026-27	FY2027-28	FY2028-29
REVENUES			
Property Tax	$48,071,000	$49,894,000	$51,786,000
Sales Tax	$4,791,000	$4,934,000	$5,082,000
Transient Occupancy Tax	$27,286,000	$28,920,000	$30,651,000
Other Revenues	$11,421,000	$11,798,000	$12,185,000
Total Revenues	**$91,569,000**	**$95,546,000**	**$99,704,000**
EXPENDITURES			
Management & Admin.	$9,250,000	$9,317,000	$9,843,000
Police	$19,807,000	$20,401,000	$21,013,000
Animal Control	$415,000	$428,000	$441,000
Fire	$17,465,000	$17,989,000	$18,529,000
Lifeguard	$13,363,000	$13,764,000	$14,177,000
Community Development	$2,779,000	$2,862,000	$2,948,000
Public Works	$8,257,000	$8,504,000	$8,759,000
Library	$1,113,000	$1,147,000	$1,181,000
Parks and Recreation	$4,136,000	$4,260,000	$4,388,000
Other Expenditures	$5,169,000	$5,315,000	$5,488,000
Total Expenditures	**$81,754,000**	**$83,987,000**	**$86,767,000**
ANNUAL NET	**$9,815,000**	**$11,559,000**	**$12,937,000**
(less) Revenue Neutrality	**($9,320,000)**	*tbd*	*tbd*
NET	**$495,000**		
Includes inflation/year at	3.0%		*1/29/24*

The budget forecast is based on information provided by the City of San Diego, input from La Jolla community members, and a review of revenues, services and budgets of other cities. The PCFA focuses on operating revenues and expenditures; capital costs for the maintenance, repair upgrade and expansion of infrastructure and facilities are not included in this PCFA except as noted in the report.

Other upfront and startup costs including hiring, office space improvements, software, equipment and facilities for the new City, and costs for the transition from San Diego and creation of service contracts are not estimated. These costs could be funded through a combination of City of La Jolla reserves accumulated during the Transition Year, interim San Diego loans to be repaid over time, and possible phasing of costs over multiple years. Impacts on San Diego will be refined during LAFCO's CFA process.

Budget forecasts are preliminary and will change as economic conditions change; outcomes depend on decisions by LAFCO, the City of San Diego, and the future La Jolla City Council. After receiving an application for incorporation, LAFCO will prepare a more detailed Comprehensive Fiscal Analysis (CFA) that will inform and refine the budget forecasts. The outcome of negotiations between the City of San Diego and La Jolla community representatives during the CFA process are likely to change the revenue neutrality amount and timing shown in **Table 1a** and **Table 1b** and will establish terms of any payments or other conditions that may be required.

Summary of City of La Jolla Revenue Assumptions

The PCFA estimates potential annual revenues to the new City of La Jolla. **Table 1c** summarizes key assumptions which are explained in **Chapter 3** and further documented in **Appendix 3**. Certain assumptions are based on current City of San Diego revenues generated by La Jolla; other revenues are estimated based on City of San Diego averages per resident, or by formula applicable to particular revenues, for example property tax. Some revenue items, for example lease revenues from San Diego-owned property, will be subject to negotiation and LAFCO determinations.

Summary of City of La Jolla Expenditure Assumptions

The PCFA estimates potential annual expenditures by the new City of La Jolla. **Table 1c** summarizes key assumptions which are explained in **Chapter 2** and further documented in **Appendix 3**. Certain assumptions are based on current City of San Diego expenditures required for services to La Jolla as reported by the City of San Diego, for example police, fire and lifeguards.

Other expenditures are estimated based on City of San Diego averages per resident, or by reference to other cities. "Per capita" costs and other expenditures by budget item were reviewed and based on multiple reference cities' budgets, in addition to consideration of current costs and revenues in the City of San Diego budget.

The CFA to be prepared by LAFCO will evaluate budget items in greater detail and may modify the assumptions in the PCFA. Future economic and fiscal conditions, LAFCO determinations, City of San Diego budget and contracting decisions, and other factors will influence the forecasts. The actual City of La Jolla budget will differ from the estimates provided in this PCFA and in the future, updated CFA.

Table 1c Summary of City of La Jolla Budget Revenue Assumptions

City of La Jolla Revenue Item
Property Tax Share and amount of property taxes from La Jolla that would otherwise go to City of San Diego. Share is 17.1% of basic property tax (1% of assessed value).
Sales Tax Share and amount of sales taxes from La Jolla that would otherwise go to City of San Diego. Share is 1% of taxable sales (including internet sales).
Transient Occupancy Tax (TOT, or Hotel Taxes) Share and amount of hotel taxes from La Jolla that would otherwise go to City of San Diego. Existing combined rate of 10.5% to La Jolla General Fund; additional Tourism Marketing District 2% rate to continue dedicated to same purposes.
Licenses & Permits, **Fines, Forfeitures, & Penalties** Based on San Diego average per resident times La Jolla population.
Revenue from Money & Property No net revenue to City of La Jolla from Torrey Pines Golf Course or City of San Diego-owned properties (to be negotiated).
Revenue from Federal & Other Agencies No ongoing operating revenue assumed. La Jolla may apply for and receive one-time grants.
Charges for Current Services Based on San Diego average per resident times La Jolla population. Excludes airport and Port services, Hazmat, and TOT reimbursements.
Transfers In Not estimated - includes one-time revenues and TOT already included in other categories.
Other Revenue Based on San Diego average per resident times La Jolla population.
Franchise Fees Based on San Diego average per resident times La Jolla population.
Real Property Transfer Tax Transfer Tax paid upon sale of property estimated as % of property tax comparable to current City of San Diego average.
Interest and Dividends Investment earning estimated as % of revenue comparable to current City of San Diego average.
Road-Related Revenues Based on San Diego average per resident times La Jolla population.

Table 1d Summary of City of La Jolla Budget Expenditure Assumptions

City of La Jolla Revenue Item	
City Council	Based on San Diego average per resident times La Jolla population; comparable to reference cities (e.g., Encinitas, Coronado $520k-$590k).
City Manager & Administration	Based on Encinitas avg. per resident times La Jolla population; approximately 5 positions & $200,000 budget for services.
City Attorney	Contract based on Coronado average per resident times La Jolla population; also comparable to Encinitas $1 million.
City Clerk	Based on Encinitas average per resident times La Jolla population; also comparable to Coronado $415,000.
City Finance	Based on Encinitas average per resident times La Jolla population; also comparable to Coronado $1.9 mill. approximately 11 positions plus $300,000 budget for contracts and services.
Administration (Human Resource, IT, Risk Management)	Based on Encinitas avg. per resident times La Jolla population; comparable to Coronado $2.8 mill. Approx. 6 positions.
Police	La Jolla contract with San Diego based on City of San Diego's estimated current costs of service to La Jolla.
Animal Control	Cost based on City of San Diego's estimated current costs of service to La Jolla.
Fire and Lifeguard	La Jolla contract with San Diego based on City of San Diego's estimated current costs of service to La Jolla.
Community Development (Planning, Dev. Services, Code Enforcement)	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla. Approximately 7 planning positions, 6 code enforcement; development services 100% fee funded.
Public Works (Transporation/Roads, Environmental Services, Stormwater)	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla. Approximately 19 positions.
Library	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.
Parks and Recreation	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.
Economic Development	Based on San Diego average per resident times La Jolla population; approximately 1-2 positions.
General Services (facility maintenance)	La Jolla departments' cost and staffing based on City of San Diego's estimated current costs of service to La Jolla.
Other Costs (Non-dept'l)	Insurance based on 3.5% of expenditures (Encinitas); rent of 16,100 sq.ft. office space (107 positions, 150 sq.ft. each) $4/sq.ft./month.
Other Programs	Cultural Affairs cost based on City of San Diego's estimated current costs of service to La Jolla (funded by TOT).

Infrastructure, Public Facilities and Property

The City of La Jolla will inherit infrastructure, public facilities and property[2] from the City of San Diego and will be responsible for operations, maintenance and asset replacement. The focus of this PCFA is annual operating revenues and expenditures, although asset and liability issues are noted.

As indicated in this report, certain City of San Diego public safety buildings (police, fire, communications) are located within the proposed City of La Jolla boundaries and will be transferred to the City of La Jolla but will continue to serve San Diego through mutual aid or other cooperative agreements. No capital costs are included in the PCFA budget for the City of La Jolla for the transfer of public facilities and infrastructure from the City of San Diego. The new city will assume responsibility for any debt or other liabilities directly attributable to transferred facilities.

Other recreation and community facilities primarily serving La Jolla residents and located within its proposed boundaries will be transferred to and become the responsibility of the City of La Jolla. The transfer and disposition of Torrey Pines golf course and other public facilities and property will be determined during the LAFCO review process and negotiations with the City of San Diego; the PCFA budget does not include Torrey Pines Golf Course revenues in the La Jolla budget. Fees currently paid by La Jolla and San Diego residents and tee-times scheduling policies for public golf courses are not projected to change as a result of incorporation.

Other revenue-generating properties owned by the City of San Diego which are not necessary for the provision of public services would be subject to negotiation, particularly if transfer of those properties and related revenues causes an adverse financial impact on the City of San Diego and its residents.[3]

Sewer and water infrastructure represents a substantial investment, requires significant operation and maintenance costs, and will be very difficult to divide between the two cities; ongoing contractual operation by the City of San Diego provides a viable option but could incur management costs and increased rates to La Jolla residents if costs of serving La Jolla are more costly than San Diego and if contract operation requires a separate rate structure.

La Jolla's beaches contribute to San Diego's visitor draw and to its economic vitality but require significant operating costs for lifeguard and related marine services in addition to beach and facility maintenance and improvement. Collaboration with the City of San Diego through service contracts for continuing San Diego services would continue current efficiencies of scale while providing local management and policy direction.

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[2] See Attachments 1 and 19 to City of San Diego Response to Data Request, 2023-06-30.

[3] See Attachment 19 to City of San Diego Response to Data Request, 2023-06-30 for a list of City of San Diego properties generating lease revenue. The CFA will review and revise this list based on boundaries, future leases and revenues, and any changes to the list of properties and other leases.

Impacts on Other Agencies

This PCFA provides a preliminary evaluation of potential adverse fiscal impacts on the City of San Diego. LAFCO's review of the incorporation application will determine the magnitude of impacts and required mitigation. LAFCO will facilitate negotiations between proponents for the City of La Jolla and representatives for the City of San Diego to determine revenue neutrality terms.

California State codes require that an incorporation "should result in a similar exchange of both revenue and responsibility for service delivery among the county, the proposed city, and other subject agencies"[4] in this case primarily the City of San Diego. Adverse fiscal impacts on an agency typically are mitigated by a "revenue neutrality agreement" that could require the City of La Jolla to make payments to the City of San Diego to mitigate financial impacts. Terms may take various forms and could include sharing of certain revenues and responsibilities.

The PCFA does not address one-time startup costs of services and infrastructure transition which may incur an impact on the City of La Jolla and the City of San Diego. As previously noted, these costs could be funded through a combination of City of La Jolla reserves accumulated during the Transition Year, interim San Diego loans to be repaid over time, and possible phasing of costs over multiple years. Impacts on San Diego will be refined during LAFCO's CFA process and negotiations between La Jolla proponents and the City of San Diego as facilitated by LAFCO.

Next Steps

Following completion of the PCFA, public outreach and fundraising, incorporation proponents will prepare and submit an application to LAFCO. LAFCO will review the application and prepare a CFA.[5] The CFA will be a more detailed version of this PCFA and will consider a number of topics in greater detail, including but not limited to:

- Owned/leased properties and related costs and revenues
- Responsibility for unfunded pension liabilities and other debt
- Contracting of services
- Impacts on public utilities
- Revenue neutrality and impacts on City of San Diego

Following public hearings and LAFCO determinations, LAFCO will pass a resolution requiring the County to call for an election if LAFCO determines that the incorporation proposal meets legal requirements for financial feasibility and revenue neutrality. Terms and Conditions approved by LAFCO would specify

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[4] Gov. Code Sec. 56815.

[5] Gov. Code Sec. 56800.

additional requirements applicable to the city incorporation. The detachment and incorporation must be approved by a majority of voters in the proposed city boundary and by a majority of voters in the City of San Diego unless this requirement is changed by State legislation.[6] "Next Steps" are further discussed in **Chapter 5** and a preliminary working schedule is shown in **Appendix 2**.

Legislation to Address State Funding to New Cities

In 2011 the State legislature eliminated, as part of a State budget re-structuring, Property Tax In Lieu of Vehicle License Fees (PTVLF) to new cities.[7] This revenue, in the form of property tax which grows as assessed value grows, continues to be allocated to existing cities as compensation for the loss of Vehicle License Fee revenue previously distributed by the State.

Subsequent legislation fixed the adverse impacts of this change on then-recently formed new cities in Riverside County, but future new cities continue to face reduced revenues that largely eliminate prospects for financial feasibility absent significant new revenues.

No new cities have been formed in California over the past two decades other than new cities in Riverside County that received a legislative fix and were granted PTVLF. Receipt of PTVLF would considerably improve the financial prospects of the City of La Jolla and increase funding available to help repair aging infrastructure and to address issues of affordable housing and homelessness, and potential one-time costs and other impacts on the City of San Diego.

The City of San Diego will not experience a loss of PTVLF because State law excludes from the PTVLF allocation formula the assessed value change in the first year following a boundary change.[8] In subsequent years the increase in PTVLF to the City of San Diego also should be not be significantly affected; the lower San Diego assessed value will grow less, however the smaller growth compared to a lower total base assessed value should result in a similar percent growth rate.

As recently as 2019, bills have been introduced to remedy the loss of revenues to new cities, but none have passed to-date.[9] The League of California cities may consider advocating for legislation in future legislative sessions;[10] political support from communities considering incorporation will improve chances of bill passage. Incorporation proponents should engage with other communities pursuing cityhood to push for legislation to remedy funding discrepancies adversely affecting future new cities.

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6 Gov. Code Sec. 57119.

7 SB 89 (2011) excluded new cities from the statutory formula that allocates revenues based on the 2004 VLF-property tax swap.

8 Revenue and Tax Code Sec. 97.70(c)(1)(C)(ii)(II)

9 AB 818 (Cooley) 2019-20 failed to emerge from committee.

10 R. Berkson correspondence.

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THE CITY OF LA JOLLA BOUNDARY MAP

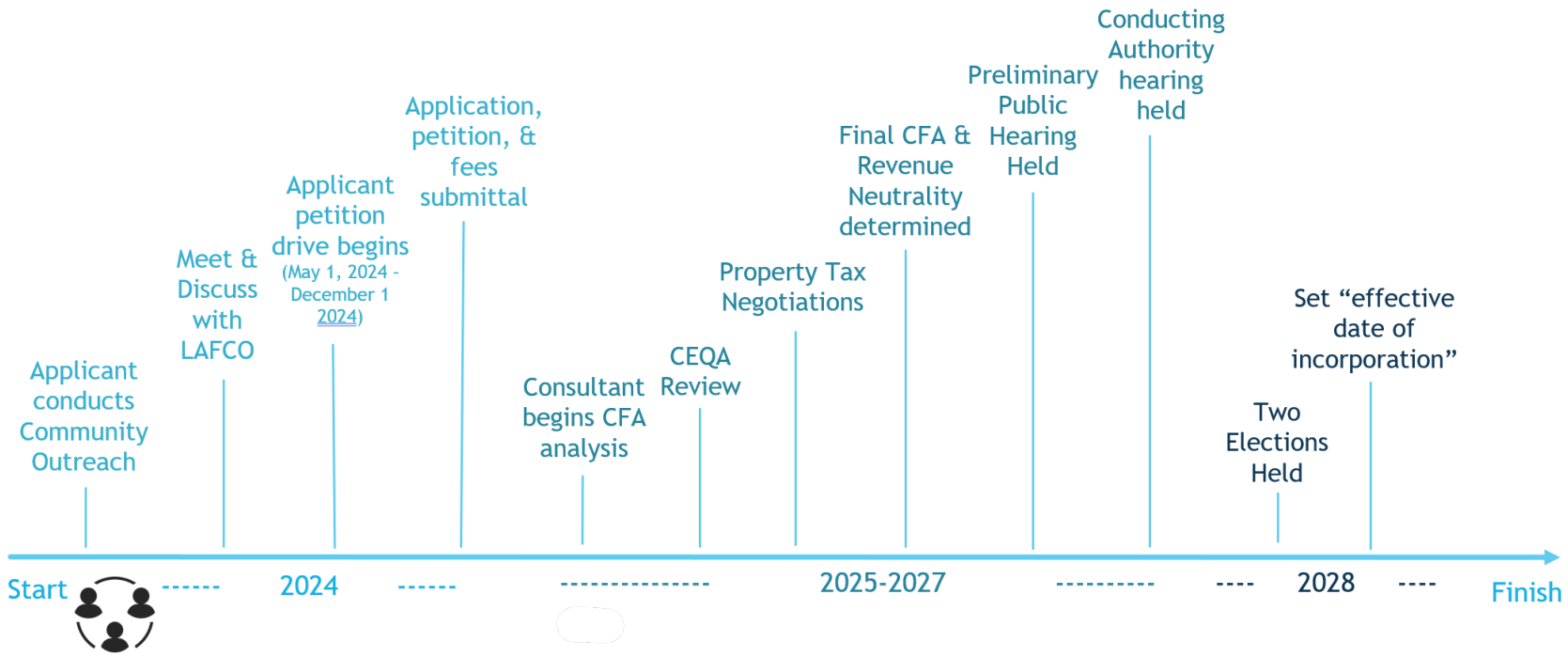



CARMEL VALLEY
CARMEL COUNTRY HIGHLANDS
Torrey Pines State Natural Reserve
TORREY PRESERVE
TORREY HILLS
TORREY PINES
805
LA JOLLA FARMS
LA JOLLA SHORES
UNIVERSITY CITY
52
VILLAGE OF LA JOLLA
LA JOLLA MUIRLANDS
BAY HO
BIRD ROCK
PACIFIC BEACH
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THE CITY OF LA JOLLA BOUNDARY MAP
01/17/2025

Proposed City of La Jolla Timeline of Incorporation

Timeline of Incorporation

Timeline subject to change



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

7c

AGENDA REPORT
Business | Information

May 5, 2025

TO: Chair Whitburn and Commissioners

FROM: Keene Simonds, Executive Officer
Joelle Burila, Analyst I

SUBJECT: **Memorandum of Understanding with Los Angeles, Orange, and San Bernardino LAFCOs for Continuing Education and Legislative Support Services**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive an update on efforts to establish support services as a substitute for non-renewing membership with CALAFCO for reasons detailed at the February 2025 meeting. Efforts have produced a memorandum of understanding with three other LAFCOs – Los Angeles, Orange, and San Bernardino – to share resources in providing continuing education and legislative advocacy services beginning July 1, 2025. Each LAFCO has agreed to commit up to $10,000 annually to activities and services provided through the agreement – including organizing a conference for Commissioners and staff to attend later this calendar year. Item is for information only with the opportunity for the Commission to provide comments and related feedback.

BACKGROUND

Pausing CALAFCO Membership

CALAFCO is a non-profit organization created in 1971 to assist member LAFCOs with learning and related resources as well as legislative advocacy. Annual member dues serve as the primary revenue source in helping to fund an approximate $0.780 million budget. A 16-member Board oversees CALAFCO and appoints a fulltime Executive Director to administer day-to-day activities. All LAFCOs are currently members except Kern County.

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Jim Desmond, County of San Diego
Vacant, 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
Vacant, General Public
Brigette Browning, Alt., General Public

Beginning in 2024, LAFCO staff began reporting concerns to the Commission involving CALAFCO and increasing Board dysfunction and – by direct extension – diminishing focus on membership services. Concerns were also being concurrently shared with CALAFCO but did not result in any substantive responses. As a result, and following the lead of San Bernardino, the Executive Officer provided notice in February 2025 to non-renew San Diego's membership in 2025-2026. Los Angeles and Orange LAFCOs similarly filed non-renewal notices thereafter.

DISCUSSION

Memorandum of Understanding for Substitute Services

This item is being presented to San Diego LAFCO to receive an update on efforts to establish support services as a substitute for pausing membership with CALAFCO beginning in 2025-2026. Consistent with earlier telegraphing, a memorandum of understanding has been established with the other three LAFCOs in the region – Los Angeles, Orange, and San Bernadino – that have similarly paused their membership with CALAFCO. All LAFCO Executive Officers have signed the agreement with the exception of Orange, which is expected to do so shortly now with the recent appointment of an Interim Executive Officer.

A copy of the agreement is attached and – among other things – focusses the four LAFCOs on collaborating on the following core shared services:

- Information exchanges – including an e-mail list serve.
- Continuing education.
- Practitioner training.
- Professional networking.
- Legislative advocacy.

ANALYSIS

None.

RECOMMENDATION

This item is presented to San Diego LAFCO for information with an opportunity for comments and related feedback on future activities tying to the memorandum of understanding.

ALTERNATIVES FOR ACTION

None.

PROCEDURES

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

1) Receive verbal presentation from staff unless waived.
2) Invite comments from interested audience members, if any.
3) Discuss the item and provide feedback as appropriate.

On behalf of staff,

Joelle Burila
Analyst I

Attachment:

1) Memorandum of Understanding

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MEMORANDUM OF UNDERSTANDING

LOS ANGELES, ORANGE, SAN BERNADINO, and SAN DIEGO LOCAL AGENCY FORMATION COMMISSIONS

This Memorandum of Understanding ("MOU") is made and entered into as of July 1, 2025 ("Effective Date") by and between the Los Angeles, Orange, San Bernadino, and San Diego Local Agency Formation Commissions ("LAFCOs") and are sometimes individually referred to as "Party" and collectively as "Parties.

RECITALS

A. Los Angeles, Orange, San Bernardino, and San Diego LAFCOs are local subdivisions of public agencies in the State of California and are periodically in need of services that can be provided more efficiently or conveniently through collaboration or partnership of the Parties.

B. The Parties desire by this MOU to establish the terms for each Party to provide and receive the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. MOU Composition. The Parties agree the composition of the MOU is limited to Los Angeles, Orange, San Bernardino, and San Diego LAFCOs. Additional LAFCOs may be added to the MOU composition by amendment if unanimously approved by the MOU Committee as provided in Section 3.

2. Services. The Parties will work together to identify potential services that could be delivered more efficiently through collaboration or partnership. Some of the potential services to be provided include:

    - Information exchanges.
    - Continuing education involving LAFCO statutes.
    - Training on best practices in local government.
    - Professional networking.
    - Legislative advocacy.

3. Decision-Making. The Parties agree to an MOU Committee consisting of each Party's Executive Officer responsible for organizing all related services herein. Decision-making will be based on Committee consensus – whether by majority or unanimity of the members. The MOU Committee will hold quarterly meetings to discuss and plan services as needed. An Executive Officer may appoint a delegate from their respective LAFCO to serve as the Executive Officer's Alternate on the MOU Committee in the event the Executive Officer is unavailable.

4. Cost-Sharing. The Parties agree to equally contribute to all costs associated with services provided through the MOU. Costs will be appropriated among the Parties for their direct payments to any outside vendors and consultants and/or through reimbursements paid between the Parties.

5. Cost-Commitment. To help inform decision-making, each Party agrees to budget and otherwise make reasonably available $10,000 annually to contribute towards services provided under this MOU. All reasonable efforts shall be made by the MOU Committee to achieve unanimous decisions in providing services and generating associated costs to the Parties.

6. Sponsoring Outside Vendors. The Parties understand it may be necessary for one Party to sponsor an outside vendor (e.g., consultant, conference center, etc.) on behalf of all Parties in securing services provided under this MOU. The Parties agree to reasonably share these sponsorship needs while also making good-faith efforts to expedite reimbursement payments.

7. Maintenance of Records. Any books, documents, papers, and other evidence pertaining to costs incurred in implementing this MOU and associated services shall be maintained by each Party in line with the respective Party's appropriate local policy.

8. Retention of Employee Status. Any Party providing MOU services through their own employees shall remain employees of that Party at all times.

9. Compensation. No Party shall receive any compensation associated with implementing this MOU other than reimbursements involving the services described herein.

10. Performance of Services. The MOU Committee shall be solely responsible for determining the scope and timing of services provided through this MOU.

11. Term. The MOU shall become effective on July 1, 2025 and shall continue until termination as provided below.

    a) Any Party may terminate their participation in this MOU with or without cause upon thirty (30) calendar days' written notice to the other Parties.

b) Notwithstanding the above provision, the Parties agree to good-faith efforts to time any decision to terminate their participation in this MOU to coincide with the end of the fiscal year – June 30th.

12. Compliance with Law. Each Party shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government as applicable in implementing this MOU.

13. Notice. Any notice to be given or delivered by this MOU shall be done whenever possible by e-mail to the following Party representatives:

Los Angeles LAFCO
Paul Novak, Executive Officer
80 South Lake Ave, Suite 870
Pasadena, CA 91101
pnovak@lalafco.org

Orange LAFCO
Luis Tapia, Interim Executive Officer
2677 North Main, Suite 1050
Santa Ana, CA 92705
ltapia@oclafco.org

San Bernardino LAFCO
Samuel Martinez, Executive Officer
1601 E. 3rd Street, Suite 102
San Bernardino, CA 92415
smartinez@lafco.sbcounty.ca.gov

San Diego LAFCO
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, CA 92103
keene.simonds@sdcounty.ca.gov

IN WITNESS WHEREOF, the Parties agree to this MOU.

Los Angeles LAFCO
Paul Novak, Executive Officer

Date: April 10, 2025

Orange LAFCO
Luis Tapia, Interim Executive Officer

Date:

San Bernardino LAFCO
Samuel Martinez, Executive Officer

Date: April 16, 2025

San Diego LAFCO
Keene Simonds, Executive Officer

Date: April 10, 2025

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