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

REGULAR MEETING AGENDA

SAN DIEGO COUNTY
LOCAL AGENCY FORMATION COMMISSION

MONDAY, OCTOBER 4, 2021
COUNTY ADMINISTRATION CENTER
1600 PACIFIC HIGHWAY, ROOM 302
SAN DIEGO, CALIFORNIA

Chair Andy Vanderlaan
Vice Chair Jim Desmond

Executive Officer Keene Simonds
Commission Counsel Holly O. Whatley

County of San Diego	Cities	City of San Diego	Special Districts	General Public
Jim Desmond	Paul McNamara	Chris Cate	Jo MacKenzie	Andy Vanderlaan
Nora Vargas	Mary Casillas Salas	Marni von Wilpert, Alt.	Barry Willis	Harry Mathis, Alt.
Joel Anderson, Alt.	Kristi Becker, Alt.		David A. Drake, Alt.	

The October 4, 2021 meeting will be held in a hybrid format to accommodate both in-person and remote participation by the Commission and its staff members. The public is similarly welcome to participate in person or remotely (video or telephone). The following standards apply.

1. With respect to in-person participation in Room 302 in the County Administrative Building:
   a) Face coverings must be worn by any unvaccinated persons.
   b) Face coverings are not required to be worn by any vaccinated persons.
   c) LAFCO requests all attendees appropriately self-attest to their vaccination status.

2. With respect to remote participation:
   a) The public may watch the meeting live using the link on our website home page: www.sdlafco.org.
   b) The public may provide comments in real-time by emailing erica.blom@sdcounty.ca.gov. E-mailed comments will be read into the record by LAFCO staff.
   c) The public may also provide comments in real-time by telephone or video by pre-registering no later than 4:00pm on October 1, 2021. Pre-register by calling 619-321-3380 or emailing lafco@sdcounty.ca.gov.
   d) All comments are subject to a three-minute limit.

1. 9:00 A.M. – CALL TO ORDER BY CHAIR | ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. AGENDA REVIEW & COMMISSION DISCLOSURES
The Chair will consider requests to remove or rearrange items on the agenda. The Chair will also request Commissioners disclose any ex parte communications with any individuals associated with proposals, requests, or other material action on the agenda.

4. PRIORITY ITEMS BY COMMISSION COUNSEL

a) Authorizing Remote/Hybrid Meetings (action)
The Commission will consider a resolution making findings in accordance with AB 361 authorizing LAFCO to conduct all meetings – including standing and ad hoc committees – through a combination of in-person and remote participation or entirely by remote as circumstances warrant. Recommendation to approve. (Pages 5-10)

5. PUBLIC COMMENT AND RELATED REQUESTS
Opportunity for members of the public to speak to the Commission on any subject matter within the Commission's jurisdiction but not an item listed on the agenda. Each speaker's presentation may not exceed three minutes. (Please note for items listed on the agenda, speakers should fill out a speaker slip and address the Commission when the item is discussed, and their name is called.)

6. CONSENT ITEMS
All items calendared as consent are considered ministerial or non-substantive and subject to a single motion approval. The Chair will also consider Commissioner requests to pull an item for discussion before entertaining a motion.

a) Approval of Meeting Minutes for August 2, 2021 (action)
The Commission will consider action minutes prepared by the Commission Clerk for the August 2, 2021 regular meeting. Recommendation to approve as presented. (Pages 11-22)

b) Commission Ratification | Recorded Payments for July and August 2021 (action)
The Commission will review a report identifying all payments made and received for the months of July and August 2021. Recommendation to ratify payments as presented. (Pages 23-30)

c) Ratification of an Administrative Approval | "Bear Valley Parkway Outside-of-Agency Service Agreement" – City of Escondido (OAS21-07) (action)
The Commission will consider an administrative approval by the Executive Officer of an outside-of-agency wastewater service agreement involving the City of Escondido. The authorization allows Escondido to provide wastewater service to an unincorporated single-family residential parcel at 450 Bear Valley Road. Recommendation for the Commission to ratify the administrative approval consistent with statute and policy. The subject parcel is identified by the County Assessor's Office as 239-060-05. (Pages 31-48)

d) Proposed Budget Amendments for 2021-2022 (action)
The Commission will consider proposed amendments to cover unbudgeted expenses associated with the recent relocation of the LAFCO office. The proposed amendments involve the internal transfer of $0.055 million out of the Salaries and Benefits Unit and into the Services and Supplies Unit. The proposed amendments do not alter or change the total adopted budget expense of $1.941 million. Recommendation to approve. (Pages 49-58)

e) Current Proposals and Related Activities (information)
The Commission will receive a report identifying active proposals on file with LAFCO as well as a summary of pending proposal submittals. The item is for information and concurrently serves as notice to local agencies of all landowner/voter petition proposal filings. (Pages 59-68)

7. PUBLIC HEARING ITEMS

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.

a) Final Report and Related Actions | Municipal Service Review on the Ramona Region (action)

The Commission will receive a final report prepared as part of the scheduled municipal service review on the Ramona region. The report returns from its draft presentation in August 2021 with limited revisions in its baseline task to independently evaluate public services in the region with specific attention on the Ramona Municipal Water District. Staff recommends the Commission formally accept the final report as well as adopt a resolution making specific determinations and associated recommendations as part of the municipal service review directive. (Pages 69-170)

8. BUSINESS CALENDAR

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

a) First Quarter Update on the Adopted Workplan &
Related Referral on Public Inquiry to Establish Policies for Fire Prone Areas (discussion)

The Commission will receive a quarterly update on the adopted workplan for 2021-2022. The update is marked by work commencing on nearly one-half of all 30 projects through the end of the first quarter with two now and a third nearing completion. The update also highlights projects expected to be a focus in the second quarter along with addressing a referral from the Commission on a public inquiry from the August 2021 meeting. The item is for discussion and provides an opportunity to provide feedback and identify potential amendments. (Pages 171-186)

b) Informational Report | Senate Bill 9 and the California HOME Act (discussion)

The Commission will receive an informational report on the recent passage of Senate Bill 9 and its central provisions as the "California Housing Opportunity and More Efficiency Act" or HOME Act. This legislation establishes new ministerial housing allowances in California geared towards expanding supply and headlined by allowing certain single-family homes to convert into duplexes with up to four units. The information report is being presented given the topic's direct intersection with the Commission's growth management duties and interests. (Pages 187-198)

c) Designation of Labor Negotiators | Pursuant to Government Code Section 54957.6 (action)

The Commission will designate its representatives for purposes of negotiating the salary and benefits for the Executive Officer. Historically, the Commission has designated the Executive Officer Compensation Committee (currently, Desmond, MacKenzie and Vanderlaan) as the Labor Negotiators. Verbal report only.

d) Proposed Amendment to Employment Agreement for Executive Officer Keene Simonds (action)

The Commission will consider a recommendation by the Executive Officer Compensation Committee (Desmond, MacKenzie and Vanderlaan) to approve a fourth amendment to the employment agreement with Executive Officer Keene Simonds. This item may be taken up following closed session on the Executive Officer's performance review and the conference with labor negotiators. (Pages 199-216)

9. EXECUTIVE OFFICER REPORT

10. COMMISSIONER ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS

11. CLOSED SESSION
Closed session items are calendared by Commission Counsel.

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

b) Conference with Labor Negotiators
Pursuant to California Government Code Section 54957.6
Agency designated representatives: Individuals Designated Per Agenda Item No. 7b above
Unrepresented Employee: Executive Officer

12. ADJOURNMENT TO NEXT MEETING
November 1, 2021

Attest to Posting:

Tamaron Luckett
Commission Clerk

All associated agenda reports are available for viewing at www.sdlafco.org. Any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at least three business days prior to the meeting for any accommodations.

4a

AGENDA REPORT
Priority | Action

October 4, 2021

TO: Commissioners

FROM: Holly O. Whatley, Commission Counsel

SUBJECT: **Authorizing Hybrid or Fully Teleconferenced Meetings of the Commission and all Committees For a 30-Day Period**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider authorizing the use of hybrid and fully teleconferenced meetings for a 30-day period.

BACKGROUND

Following the Governor's declaration of a state of emergency in March 2020 due to COVID-19, San Diego LAFCO switched from in-person Commission meetings to fully remote Commission meetings. The transition was authorized by Executive Orders N-25-20, N-29-20, and N-35-20, which collectively modified requirements of the Ralph M. Brown Act, the State's local agency public meeting law. On June 11, 2021, the Governor issued Executive Order N-08-21 which rescinds the prior executive orders modifying the Brown Act effective September 30, 2021.

To accommodate the desire on the part of local governments to maintain teleconferenced meetings as may be necessary during the pandemic, the Legislature approved Assembly Bill 361 (AB 361). AB 361 is an urgency ordinance and took effect upon the Governor's signature on September 16, 2021. It authorizes local governments to continue to organize fully remote and hybrid meetings should the governing body make the following affirmative findings under Government Code section 54953, which states:

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Joel Anderson, Alt., County of San Diego
Mary Casillas Salas, City of Chula Vista
Bill Wells, City of El Cajon
Paul McNamara, Alt., City of Escondido
Chris Cate, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
Vacant, Alt., Special District
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

"If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference … the legislative body shall, not later than 30 days after teleconferencing for the first time … and every 30 days thereafter, make these findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.
(B) Any of the following circumstances exist:
(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.
(ii) State or local officials continue to impose or recommend measures to promote social distancing."

DISCUSSION

This item is for San Diego LAFCO to consider actions necessary to proceed with hybrid or fully remote meetings in accordance with AB 361. The attached resolution has been accordingly prepared and makes the necessary findings authorizing LAFCO to use hybrid or fully teleconferenced meetings of the Commission and its Committees for the next 30 days. LAFCO will need to adopt a version of this resolution at each of its subsequent meetings if it desires to maintain fully remote or hybrid meetings.

ANALYSIS

None

RECOMMENDATION

It is recommended San Diego LAFCO adopt the resolution authorizing the use of hybrid or fully teleconferenced meetings for the Commission and all Committees for a 30-day period.

ALTERNATIVES FOR ACTION

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

Alternative One (recommended):
Approve the resolution authorizing the use of hybrid or fully teleconferenced meetings for a 30-day period.

Alternative Two:
Reject the resolution authorizing the use of hybrid or fully teleconferenced meetings for a 30-day period.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda for action as part of the business calendar. The following procedures, accordingly, apply:

1) Receive verbal presentation from staff unless waived.
2) Initial questions or clarifications from the Commission.
3) Invite comments from the public.
4) Consider the staff recommendation or alternatives.

Respectfully,

Holly O. Whatley,
General Counsel

Attachment:

1) Resolution

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RESOLUTION NO.

RESOLUTION OF THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION

AUTHORIZING HYBRID TELECONFERENCE MEETINGS OF THE COMMISSION FOR A 30-DAY PERIOD

WHEREAS, the San Diego Local Agency Formation Commission is committed to preserving and nurturing public access and participation in meetings of the Commissioners; and

WHEREAS, all meetings of the Commission's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the Commission conduct its business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, such conditions now exist in the County, specifically, the Governor proclaimed a State of Emergency on March 4, 2020 due to COVID-19; and

WHEREAS, on June 11, 2021, the State Public Health Officer ordered all individuals to follow the state guidance on face coverings and its website recommends physical distancing; and

WHEREAS, on June 15, 2021, the San Diego County Health Officer issued an order requiring isolation and quarantining for exposed individuals and its website recommends physical distancing; and

WHEREAS, as a consequence of the state of emergency and the state and local public health guidance, the Commission does hereby find that the Commission, including all its Committees, shall conduct meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the Commission does hereby find that organizing hybrid or fully teleconferenced meetings presents the best compromise between the competing goals of facilitating in-person, public meetings under the Brown Act and social distancing under the public health orders; and

WHEREAS, members of the public will be able to participate remotely through the digital means listed on the meeting agenda, and for hybrid meetings, may also participate in person provided applicable social distancing and masking protocols are observed.

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

1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

2. Hybrid of Fully Teleconferenced Meetings. The Executive Officer is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

3. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective for 30 days, or such time the Commission adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Commission may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

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

PASSED AND ADOPTED by the San Diego County Local Agency Formation Commission on October 4, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

6a

AGENDA REPORT
Consent | Action

October 4, 2021

TO: Commissioners

FROM: Erica Blom, Administrative Assistant

SUBJECT: **Approval of Meeting Minutes for August 2, 2021**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider draft minutes prepared for the regular meeting held on Monday, August 2, 2021. The minutes are in action-form and being presented for formal approval with any desired corrections or clarifications as requested by the Commission.

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 August 2, 2021 regular meeting. The attendance record for the meeting follows.

- All regular Commissioners were present except Jim Desmond (County of San Diego) and Nora Vargas (County of San Diego).
- All alternate Commissioners were present except Marni von Wilpert (City of San Diego).

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Joel Anderson, Alt., County of San Diego
Paul McNamara, City of Escondido
Mary Casillas Salas, City of Chula Vista
Kristi Becker, Alt., City of Solona Beach
Chris Cate, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

ANALYSIS

The attached draft minutes for the August 2, 2021 regular meeting accurately reflect San Diego LAFCO's deliberations as recorded by the Commission Secretary. A video recording of the meeting has also been posted on the Commission's website (www.sdlafco.org).

RECOMMENDATION

It is recommended San Diego LAFCO approve the draft minutes prepared for the August 2, 2021 regular meeting as presented. This recommendation is consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Approve the draft minutes prepared for the August 2, 2021 regular meeting with any desired corrections or clarifications.

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

PROCEDURES

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

Respectfully,

Erica A. Blom

Erica Blom
Administrative Assistant

Attachment:

1) Draft Meeting Minutes for August 2, 2021

DRAFT MINUTES
SAN DIEGO LAFCO
August 2, 2021 REGULAR MEETING

Via Conference Only
Per Governor's Executive Order N-29-20

1. CALL TO ORDER

The regular meeting was called to order by videoconference at 9:04 a.m. by Chair Vanderlaan.

Item 1a
Introduction of New Alternate Commissioner
Chair Vanderlaan welcomed new Alternate Commissioner David A. Drake with Rincon del Diablo Municipal Water District. Commissioner Drake provided a brief self-introduction.

Item 1b
Roll Call
The Commission Secretary performed the roll call with the following attendance recorded.

Regulars Present:	Chris Cate, City of San Diego Jo MacKenzie, Vista Irrigation District Paul McNamara, City of Escondido Mary Casillas Salas, City of Chula Vista Andy Vanderlaan, Public (CHAIR) Barry Willis, Alpine Fire Protection District
Alternates Present:	Joel Anderson, County of San Diego Kristi Becker, City of Solana Beach David A. Drake, Rincon del Diablo Harry Mathis, Public
Members Absent:	Jim Desmond, County of San Diego (VICE CHAIR) Nora Vargas, County of San Diego Marni von Wilpert, City of San Diego (alternate)

The Commission Secretary confirmed a virtual quorum was present with seven voting members – along with Alternate Commissioner Joel Anderson voting in place of Commissioners Desmond and Vargas who were absent. Also present at the virtual dais were Executive Officer Keene Simonds, Commission Counsel Holly O. Whatley, Local Government Analyst I Priscilla Allen, and Administrative Assistant Erica Blom serving as the Commission Secretary.

2. PLEDGE OF ALLEGIANCE

Alternate Commissioner Drake led meeting attendees in the Pledge of Allegiance.

3. AGENDA REVIEW AND RELATED REQUESTS

Chair Vanderlaan asked the Executive Officer if there were requests to remove or rearrange items on the agenda as presented. The Executive Officer stated no changes were needed to the agenda. The Executive Officer also noted the meeting was being live streamed and instructions for the public to participate in real-time were provided on the agenda as well as detailed on the LAFCO website.

4. PUBLIC COMMENT

Chair Vanderlaan invited anyone from the public to address the Commission on a matter not directly related to an agenda item. The Commission Secretary confirmed one member of the public had pre-registered to address the Commission and proceeded to read the comment into the record:

- Patricia Borchmann shared the New York Times article "California Looks at Curbing Construction in Wild Fire-Prone Areas"

5. CONSENT ITEMS

Item 5a
Approval of Meeting Minutes for June 7, 2021
Item presented to approve draft action minutes prepared for the Commission's June 7, 2021 regular meeting. Recommendation to approve.

Item 5b
Commission Ratification | Recorded Payment for May and June 2021
Item presented to ratify recorded payments made and received by the Executive Officer for the months of May and June 2021. Recommendation to ratify.

Item 5c
Budget Report for 2020-2021 |
Fourth Quarter Actuals and Close of Year Budget Amendments
Item presented to accept and file a quarterly report comparing budgeted and actual expense and revenue transactions for 2020-2021 through the fourth quarter with related amendments as part of the close of the fiscal year. Recommendation to accept and file.

Item 5c was pulled for discussion.

Commissioner MacKenzie expressed concerns over amending the budget and said she will be voting "no" on this item.

CONSENT ITEMS CONTINUED…

Item 5c continued

**

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

AYES:	Anderson, Cate, McNamara, Salas, Vanderlaan, and Willis
NOES:	MacKenzie
ABSENT:	Desmond, Vargas, and von Wilpert
ABSTAINING:	None

The Commission Secretary confirms the motion was approved 6-1.

Item 5d
Progress Report on Adopted Workplan & Related Amendments
Item presented to accept and file a progress report on the adopted workplan for 2021-2022 and its 30 specific projects along with approving amendments to sync with the recent update to the study schedule. Recommendation to accept and file.

Item 5d was pulled for discussion.

Commissioner MacKenzie discussed CALAFCO legislative priorities, specifically G.C. 56133 as listed as no. 5 in the adopted workplan.

Commission discussion followed with direction to the Executive Officer to consider scheduling a discussion on the workplan at the next meeting so Commissioners could have a better sense of current staff activities.

**

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

AYES:	Anderson, Cate, MacKenzie, McNamara, Salas, Vanderlaan, and Willis
NOES:	None
ABSENT:	Desmond, Vargas, and von Wilpert
ABSTAINING:	None

The Commission Secretary confirms the motion was approved 7-0.

CONSENT ITEMS CONTINUED…

Item 5e
Approval of Fund Balance Designations for 2021-2022
Item presented to review and consider making fund balance designations in 2021-2022. Recommendation to designate $750,000 for committed purposes, $125,000 for assigned purposes, and the remaining balance – $762,178 as of July 1, 2020 – as unassigned. Recommendation to approve.

Item 5f
Service Commendation |
Former Commissioner Bill Wells with the City of El Cajon
Item presented to consider formal action by resolution to recognize the service contributions of former Commissioner Bill Wells. Recommendation to approve.

Item 5g
CALAFCO Annual Conference Items
Item presented to consider action items relating to the upcoming CALAFCO Annual Conference scheduled for October 6-8 in Newport Beach. Recommendation to nominate Commissioner MacKenzie for re-election to the CALAFCO Board as well as appoint Commissioners Vanderlaan and MacKenzie as delegate and alternate delegate, respectively. Recommendation to approve.

Item 5g was pulled for discussion.

Commissioner Willis asked if any further commitment was needed. Executive Officer Keene Simonds stated no further action was needed other than to proceed to nominate Commissioners MacKenzie and Vanderlaan.

**

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

AYES:	Anderson, Cate, MacKenzie, McNamara, Salas, Vanderlaan, and Willis
NOES:	None
ABSENT:	Desmond, Vargas, and von Wilpert
ABSTAINING:	None

The Commission Secretary confirms the motion was approved 7-0.

CONSENT ITEMS CONTINUED…

Item 5h
Current Proposals and Related Activities
Item presented to receive a report identifying active proposals on file as well as a summary of pending proposal submittals. The item is for information and concurrently serves as notice to local agencies of all landowner/voter petition proposal filings. Information only.

Chair Vanderlaan asked if the Commissioners would like to pull any other consent items apart from items 5c, 5d, and 5g. There were no requests from Commissioners.

**

Commissioner Cate motioned with a second from Commissioner Willis to approve the consent calendar and staff recommendations with the exception of items 5c, 5d, and 5g. Roll call requested:

AYES:	Anderson, Cate, MacKenzie, McNamara, Salas, Vanderlaan, and Willis
NOES:	None
ABSENT:	Desmond, Vargas, and von Wilpert
ABSTAINING:	None

The Commission Secretary confirms the motion was approved 7-0.

6. PUBLIC HEARING ITEMS

Item 6a
Proposed "Avion Reorganization" |
Annexation to the Olivenhain Municipal Water District with Concurrent Expansion of an Activated Wastewater Service Area and Related Sphere of Influence Action (RO21-03)
Item presented to consider a reorganization proposal filed by the Olivenhain Municipal Water District (OMWD) with the principal action to annex 41.5 acres of incorporated territory in the City of San Diego. A concurrent expansion of OMWD's activated wastewater service area is also proposed. The proposal purpose is to establish OMWD wastewater services in the affected territory and facilitate the tentative approval of 84 multi-family dwelling units as part of the planned "Avion" subdivision. Staff recommends conditional approval of the reorganization as submitted with a conforming sphere amendment as well as waiving protest proceedings. Recommendation to approve.

Analyst Priscilla Allen provided the staff presentation.

Chair Vanderlaan proceeded to open the public hearing and invited comments by pre-registered attendees and live e-mail.

The Commission Secretary confirmed one member of the public had pre-registered to address the Commission. Comments were received from the following person:

PUBLIC HEARING ITEMS CONTINUED…

Item 6a continued

- Liz Belloso, Lennar Homes, available for questions

The Commission Secretary also confirmed there were no live e-mail comments.

Chair Vanderlaan proceeded to close the public hearing.

Chair Vanderlaan invited Commissioner comments or questions.

Commission discussion followed with additional input from Rich Miller with Lennar Homes.

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

AYES:	Anderson, Cate, MacKenzie, McNamara, Salas, Vanderlaan, and Willis
NOES:	None
ABSENT:	Desmond, Vargas, and von Wilpert
ABSTAINING:	None

The Commission Secretary confirms the motion was approved 7-0.

7. BUSINESS ITEMS

Item 7a
Draft Municipal Service Review on the Ramona Region
Item presented to review a draft municipal service review on the Ramona region. The draft has been prepared as part of the adopted workplan and independently assesses the availability, need, and adequacy of key public services provided in the region and specifically by the principal local government subject to Commission oversight – Ramona Municipal Water District (MWD). This includes preparing determinations addressing the factors required in statute as part of the municipal service review process as well as to inform other LAFCO decision-making – including future boundary changes and sphere of influence updates in the region. Presented for discussion and feedback only.

Executive Officer Keene Simonds provided opening comments with Analyst Priscilla Allen providing the formal staff presentation.

Chair Vanderlaan invited comments from the public. The Commission Secretary confirmed one member of the public had pre-registered to address the Commission. Comments were received from the following person:

- Geoff Pemberton, CAL FIRE

BUSINESS ITEMS CONTINUED…

Item 7a continued

The Commission Secretary also confirmed there was one live e-mail comment and proceeded to read the comment into the record:

- Herman Reddick, San Diego County Fire Protection District

Chair Vanderlaan invited initial Commission comments or questions.

Commission discussion followed with agreement for staff to proceed with a formal 45-day public comment period and return with a final document at a future meeting.

Item 7b
Proposed Policy on Translation Protocols and Accommodations
Item presented to consider a proposed policy on translation protocols and accommodations for communicating service information to non-English speaking residents to mitigate against language barriers. The proposed policy has been prepared consistent with the adopted workplan and marked by establishing standards to translate key service information into non-English based on current household language demographics. This includes translating notices and other written materials that are otherwise distributed only in English into other languages that are spoken within 20 percent or more of affected households. Interpreter services are also addressed. Recommendation to approve.

Executive Officer Keene Simonds provided the staff presentation.

Chair Vanderlaan invited initial Commission comments or questions.

Commission discussion followed.

**

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

AYES:	Anderson, Cate, MacKenzie, McNamara, Salas, Vanderlaan, and Willis
NOES:	None
ABSENT:	Desmond, Vargas, and von Wilpert
ABSTAINING:	None

The Commission Secretary confirms the motion was approved 7-0.

BUSINESS ITEMS CONTINUED…

Item 7c
Approval to Reinstate Cost-of-Living Wage Adjustments in 2021-2022
Item presented to consider reinstating a previously planned 2.0% wage cost-of-living adjustment for non-management employees in 2021-2022. The otherwise planned wage adjustment was suspended by the Commission in April 2021 at the recommendation of the Executive Officer to curb new costs in 2021-2022 given economic uncertainties associated with COVID. The parallel action to implement a voluntary employee separation incentive program has subsequently proven successful in generating cost-savings and positions the Commission to reinstate the full cost-of-living adjustment retroactive to July 1st without budget impact. Recommendation to approve.

**

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

AYES:	Anderson, Cate, MacKenzie, McNamara, Salas, Vanderlaan, and Willis
NOES:	None
ABSENT:	Desmond, Vargas, and von Wilpert
ABSTAINING:	None

The Commission Secretary confirms the motion was approved 7-0.

8. EXECUTIVE OFFICER REPORT

- LAFCO is in process of relocating to the new office space at 2550 Fifth Avenue.
- Analyst II Linda Heckenkamp will be on full maternity leave through the end of the year.
- Consultant Ed Sprague is leaving LAFCO at the end of the month.
- Regarding COVID, LAFCO employees will follow the County's lead and it is expected proof of vaccination or regular negative testing will be required.
- Commission Counsel Holly Whatley provided a Julian-Cuyamaca FPD update.

9. COMMISSIONER ANNOUNCEMENTS | REQUESTS FOR FUTURE ITEMS

- Commissioner Willis will be visiting the special districts in San Diego County. Commissioner Willis also expressed concerns about the drought.
- Commissioner MacKenzie provided information regarding the recent CALAFCO Board of Directors meeting.
- Chair Vanderlaan asked staff to return to the Commission to follow up on the public comment and suggestion made earlier in the meeting by Patricia Borchmann.

10. CLOSED SESSION

None

11. ADJOURNMENT TO NEXT MEETING

With no further business the Chair adjourned the videoconference meeting at 10:48 a.m.

**

I hereby attest the minutes above accurately reflect the deliberations of the Commission at its August 2, 2021 videoconference meeting.

ATTEST,



Erica Blom
Administrative Assistant

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6b

AGENDA REPORT
Consent | Action

October 4, 2021

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Erica Blom, Administrative Assistant

SUBJECT: **Commission Ratification | Recorded Payments for July and August 2021**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a report identifying all payments made and received in July and August 2021. The payments cover all recorded transactions for the two-month period and include $312,402 in total distributions made by the Executive Officer. Two thirds of these expenses are tied to the County of San Diego for payroll reimbursements and charges for office rent, general overhead, and information technology services. Payments received over the two-month period totaled $1,662,763 and largely sourced to collecting local agency apportionments. The payments are being presented to the Commission for formal ratification.

BACKGROUND

Accounting Policies and Procedures

San Diego LAFCO's policies provide direction to the Executive Officer to establish and maintain appropriate accounting controls for all financial transactions on behalf of the Commission. These policies specify the Executive Officer shall ensure accounting controls conform to standard procedures commonly enlisted by local governmental. Spending

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Joel Anderson, Alt., County of San Diego
Paul McNamara, City of Escondido
Mary Casillas Salas, City of Chula Vista
Kristi Becker, Alt., City of Solana Beach
Chris Cate, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

allowances are specified and include bid procedures for financial transactions at or above $10,000 and separate Commission approval for transactions at or above $125,000.

DISCUSSION

This item is for San Diego LAFCO to consider ratification of all payments made and received by the Executive Officer between July and August 2021. A detailing of these transactions prepared by the Administrative Assistant is provided in Attachments One (July) and Two (August). The item also provides the Commission the opportunity to provide feedback on related matters and inform potential changes in accounting procedures going forward.

ANALYSIS

San Diego LAFCO's recorded payments made by the Executive Officer for July and August 2021 totaled $312,402 with 65% – or $201,958 – tied to transactions with the County of San Diego. This includes payroll reimbursements covering four pay periods as well as expenses for office rent, general overhead, and information technology services. Office expenses represent most of the remaining costs during the two-month period with $47,104 directly tied to furnishing the new office space at 2550 Fifth Avenue through a single vendor, National Business Furniture. Recorded revenues during the period totaled $1,662,763 with the majority of funds tied to collecting agency apportionments.

All expenses generated in July and August 2021 are consistent with the adopted budget with one deviation. This deviation involves the above-referenced furniture expense for the new office space paired with a limited number of other one-time moving costs. All monthly total transactions for the calendar year to date are shown below.

Month	Expenses	Revenues
January 2021	$133,728	$ 716
February 2021	$127,082	$6,632
March 2021	$156,572	$16,973
April 2021	$301,167	$1,470
May 2021	$124,679	$1,995
June 2021	$183,041	$18,586
July 2021	$194,626	$984,225
August 2021	$117,776	$678,539
… Total Year to Date	$1,338,671	$1,709,136
… Monthly Average	$167,334	$213,642

RECOMMENDATION

It is recommended San Diego LAFCO ratify the payments made and received by the Executive Officer for July and August 2021 as presented. This recommendation is consistent with Alternative One in the proceeding section.

ALTERNATIVES FOR ACTION

The following alternatives are available to San Diego LAFCO:

Alternative One (recommended):
Ratify the recorded payments received and made by the Executive Officer in July and August 2021 as shown in Attachment One.

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

Alternative Three
Take no action.[1]

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 A. Blom

Erica Blom
Administrative Assistant

Attachments:

1) Recorded Transactions in July 2021
2) Recorded Transactions in August 2021

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

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SAN DIEGO LAFCO
Expenses by Vendor Detail
July 2021

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Ace Parking						
	7/29/2021	52610 · Non-Travel/In-County	25.00	Parking for KS/PA/EB	debit card	3558 · SDCCU Checking
E | ADW Consulting LLC						
	7/7/2021	52370.F · Professional Services	2,475.00	Consultant Services | Planning	electronic	1000 · County Account (44595)
	7/21/2021	52370.F · Professional Services	3,600.00	Consultant Services | Planning	electronic	1000 · County Account (44595)
			6,075.00			
E | After Effects						
	7/11/2021	52270 · Memberships	20.99	Monthly Video Editing Software Subscription	credit card	3558-60 · SDCCU Visa Credit Card
E | Amazon						
	7/6/2021	52330 · Office Expense	285.50	Office Supplies	credit card	3558-60 · SDCCU Visa Credit Card
E | Ambius						
	7/9/2021	52370.J · Professional Services	103.94	Monthly Plants Services	check	3558 · SDCCU Checking
E | APA						
	7/30/2021	52270 · Memberships	434.00	Membership Renewal FY21-22 (LH)	check	3558 · SDCCU Checking
E | AT&T Mobility						
	7/30/2021	52074 · Telecommunications	487.76	Monthly Cell Phone Bill | EO & Analysts	check	3558 · SDCCU Checking
E | Billing Hostway						
	7/8/2021	52370.E · Professional Services	21.95	Monthly Website Hosting Services	debit card	3558 · SDCCU Checking
E | CA Planning & Dev. Report						
	7/16/2021	52490 · Publications	238.00	Magazine Subcription Renewal	check	3558 · SDCCU Checking
E | Canon Business Solutions						
	7/30/2021	52330 · Office Expense	11.23	Canon Copier Maintenance	check	3558 · SDCCU Checking
E | Chili's						
	7/9/2021	52610 · Non-Travel/In-County	33.18	LAFCO Debreifing with KS & JM	debit card	3558 · SDCCU Checking
E | Colantuono, Highsmith & Whatley						
	7/7/2021	52370.B · Professional Services	4,492.00	Legal Services	electronic	1000 · County Account (44595)
	7/21/2021	52370.B · Professional Services	3,913.50	Legal Services	electronic	1000 · County Account (44595)
			8,405.50			
E | Copy 2 Copy						
	7/30/2021	52490 · Publications	1,807.94	Study Schedule & Poway MSR Brochures	check	3558 · SDCCU Checking
E | Corodata						
	7/22/2021	52330 · Office Expense	52.54	Monthly Document Storage	check	3558 · SDCCU Checking
E | County of San Diego						
	7/1/2021	52530 · Office Lease	6,993.64	Rent	electronic	1000 · County Account (44595)
	7/1/2021	52354 · Mail/Postage ISF	661.95	Mail/Postage Services	electronic	1000 · County Account (44595)
	7/1/2021	52178 · Vehicle Maintenance	27.97	Vehicle Maintenance Services	electronic	1000 · County Account (44595)
	7/1/2021	52182 · Vehicle Fuel	0.00	Vehicle Fuel	electronic	1000 · County Account (44595)
	7/1/2021	52758 · Vehicle Lease	165.47	Vehicle Lease	electronic	1000 · County Account (44595)
	7/1/2021	52721 et al. · Communications (IT) Services	8,774.46	County IT Services (ITRACK)	electronic	1000 · County Account (44595)
	7/9/2021	51110 et al. · Employee Payroll	42,003.22	Payroll | Pay Period 2022-01	electronic	1000 · County Account (44595)
	7/23/2021	51110 et al. · Employee Payroll	58,284.31	Payroll | Pay Period 2022-02	electronic	1000 · County Account (44595)
	7/9/2021	52504 · Equipment Rental	5.94	County Surchage | Xerox	electronic	1000 · County Account (44595)
	7/12/2021	52504 · Equipment Rental	3.50	County Surchage | Xerox	electronic	1000 · County Account (44595)
	7/20/2021	52504 · Equipment Rental	2.90	County Surchage | Xerox	electronic	1000 · County Account (44595)
			116,923.36			
E | CSDA of San Diego						
	7/9/2021	52270 · Memberships	250.00	Membership Renewal FY21-22 (San Diego Chapter)	check	3558 · SDCCU Checking
E | Culligan of San Diego						
	7/16/2021	52330 · Office Expense	7.00	Monthly Water Payment	check	3558 · SDCCU Checking
E | Erica Blom						
	7/28/2021	52620 · Tutition Reimbursement	405.00	Tuition Reimbursement (BAM406)	electronic	1000 · County Account (44595)
E | Fax Plus						
	7/8/2021	52330 · Office Expense	6.11	Monthly Fax Machine Payment	debit card	3558 · SDCCU Checking
E | Grubhub						
	7/1/2021	52610 · Non-Travel/In-County	47.25	Quarterly Staff Meeting (EB & TL)	credit card	3558-60 · SDCCU Visa Credit Card
	7/2/2021	52610 · Non-Travel/In-County	97.33	Quarterly Staff Meeting (KS/DN/LH/PA)	debit card	3558 · SDCCU Checking
			144.58			

SAN DIEGO LAFCO
Expenses by Vendor Detail
July 2021

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Leaf & Cole LLP						
	7/2/2021	52370.H · Professional Services	955.68	Consultant Services | Bookkeeping	check	3558 · SDCCU Checking
E | National Business Furniture LLC						
	7/30/2021	52330 · Office Expense	47,103.98	Furniture for New Office Space	electronic	1000 · County Account (44595)
E | RJ Ricciardi Inc						
	7/12/2021	52370.H · Professional Services	2,735.00	Consultant Services | Accounting	electronic	1000 · County Account (44595)
E | Ruth Arellano						
	7/30/2021	52610 · Non-Travel/In-County	28.00	Parking Reimbursement for RA	check	3558 · SDCCU Checking
E | San Diego History Center						
	7/29/2021	52490 · Publications	50.00	MSR Photos	credit card	3558-60 · SDCCU Visa Credit Card
E | San Diego Padres						
	7/28/2021	52610 · Non-Travel/In-County	408.20	First Quarter Staff Activity	debit card	3558 · SDCCU Checking
E | Sloan Sakai Yeung & Wong LLP						
	7/12/2021	52370.B · Professional Services	2,834.00	Special Counsel Services	electronic	1000 · County Account (44595)
E | Sprague & Associates						
	7/7/2021	52370.F · Professional Services	3,290.00	Consultant Services | Fire Services	electronic	1000 · County Account (44595)
E | Twitter						
	7/4/2021	52074 · Telecommunications	50.00	Social Media	debit card	3558 · SDCCU Checking
E | Xerox						
	7/9/2021	52504 · Equipment Rental	675.35	Xerox Rental	electronic	1000 · County Account (44595)
	7/12/2021	52504 · Equipment Rental	397.31	Xerox Rental	electronic	1000 · County Account (44595)
	7/28/2021	52504 · Equipment Rental	329.46	Xerox Rental	electronic	1000 · County Account (44595)
			1,402.12			
E | Zoom						
	7/4/2021	52270 · Memberships	14.99	LAFCO Monthly Video Conferencing Subscription	debit card	3558 · SDCCU Checking
	7/12/2021	52270 · Memberships	14.99	EO Monthly Video Conferencing Subscription	debit card	3558 · SDCCU Checking
			29.98			
EXPENSE TOTAL			194,625.54			
R | Alliance Development Services Inc						
	7/2/2021	46234 · Applictions	1,056.83	Initial Studies Fees (CO21-01)	check	3558 · SDCCU Checking
R | City of Vista						
	7/29/2021	46234 · Applictions	18,894.75	LAFCO Processing Fees (RO21-04)	check	3558 · SDCCU Checking
R | County of San Diego						
	7/1/2021	45918 · LAFCO Apportionment	949,966.82	LAFCO Apportionment for FY21-22	electronic	1000 · County Account (44595)
	7/31/2021	49200 · Interest & Dividends	421.65	Interest Payment to Account 46725	electronic	1001 · Committed - Stabilization (min. balance of $250k)
	7/31/2021	49200 · Interest & Dividends	494.47	Interest Payment to Account 46726	electronic	1002 · Commited - Opportunity (min. balance of $300k)
	7/31/2021	49200 · Interest & Dividends	207.32	Interest Payment to Account 46727	electronic	1003 · Assigned - Executive Oficer (up to $125k)
			951,090.26			
R | Jill Danna						
	7/29/2021	46234 · Applictions	10,667.00	LAFCO Processing Fees (CO21-05)	check	3558 · SDCCU Checking
R | Krishnan Vijayaraghavan						
	7/23/2021	52490 · Publications	758.50	County Recorder & PHN Fees (RO20-18)	check	3558 · SDCCU Checking
R | Sringeri Vidya Bharati Foundation, Inc						
	7/23/2021	52490 · Publications	1,757.32	County Recorder, PHN & SBE Fees (RO20-16)	check	3558 · SDCCU Checking
REVENUE TOTAL			984,224.66			

SAN DIEGO LAFCO
Expenses by Vendor Detail
August 2021

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Ace Parking						
	8/8/2021	52610 · Non-Travel/In-County	10.00	Parking for TL	debit card	3558 · SDCCU Checking
	8/9/2021	52530 · Office Lease	960.00	Monthly Parking Rent (August)	electronic	1000 · County Account (44595)
	8/23/2021	52530 · Office Lease	960.00	Monthly Parking Rent (September)	electronic	1000 · County Account (44595)
			1,930.00			
E | After Effects						
	8/11/2021	52270 · Memberships	20.99	Monthly Video Editing Software Subscription	credit card	3558-60 · SDCCU Visa Credit Card
E | Alliant Insurance Services						
	8/6/2021	52138 · General Liability Insurance	305.63	General Liability Insurance	check	3558 · SDCCU Checking
E | Amazon						
	8/6/2021	52330 · Office Expense	204.10	Moving Supplies	credit card	3558-60 · SDCCU Visa Credit Card
	8/20/2021	52610 · Non-Travel/In-County	67.01	Local Communities Training Books	debit card	3558 · SDCCU Checking
			271.11			
E | Ambius						
	8/6/2021	52370.J · Professional Services	103.94	Monthly Plants Services	check	3558 · SDCCU Checking
E | ARCC (Assesor Recorder County						
	8/6/2021	52490 · Publications	50.00	NOE Fee | Avion Reorg (RO21-03)	check	3558 · SDCCU Checking
	8/6/2021	52490 · Publications	50.00	NOE Fee | Avion Reorg SOI (RO21-03)	check	3558 · SDCCU Checking
			100.00			
E | Billing Hostway						
	8/10/2021	52370.E · Professional Services	21.95	Monthly Website Hosting Services	credit card	3558-60 · SDCCU Visa Credit Card
E | C & M Relocation Systems						
	8/21/2021	52330 · Office Expense	40.00	Gratuity for Movers	cash	1040 · Petty Cash
	8/27/2021	52330 · Office Expense	436.00	Moving Services	electronic	1000 · County Account (44595)
			476.00			
E | CALAFCO						
	8/13/2021	52270 · Memberships	10,760.00	Membership Dues for FY21-22	electronic	1000 · County Account (44595)
E | Chase Design Inc.						
	8/4/2021	52334 · Printing	1,321.50	MSR Brochures	electronic	1000 · County Account (44595)
	8/27/2021	52334 · Printing	112.50	MSR Brochures	electronic	1000 · County Account (44595)
			1,434.00			
E | Copy 2 Copy						
	8/6/2021	52490 · Publications	2,808.40	Agency Directories & Poway MSR	check	3558 · SDCCU Checking
E | County of San Diego						
	8/1/2021	52354 · Mail/Postage ISF	11,001.16	Mail/Postage Services	electronic	1000 · County Account (44595)
	8/1/2021	52178 · Vehicle Maintenance	28.05	Vehicle Maintenance Services	electronic	1000 · County Account (44595)
	8/1/2021	52182 · Vehicle Fuel	0.00	Vehicle Fuel	electronic	1000 · County Account (44595)
	8/1/2021	52758 · Vehicle Lease	165.49	Vehicle Lease	electronic	1000 · County Account (44595)
	8/1/2021	52721 et al. · Communications (IT) Services	7,795.68	County IT Services (ITRACK)	electronic	1000 · County Account (44595)
	8/6/2021	51110 et al. · Employee Payroll	4,269.60	Payroll | Pay Period 2022-03	electronic	1000 · County Account (44595)
	8/20/2021	51110 et al. · Employee Payroll	52,577.38	Payroll | Pay Period 2022-04	electronic	1000 · County Account (44595)
	8/31/2021	52504 · Equipment Rental	9,197.80	County Services | A-87 Overhead (1st Quarter)	electronic	1000 · County Account (44595)
			85,035.16			
E | Erica Blom						
	8/27/2021	52620 · Tutition Reimbursement	405.00	Tuition Reimbursement (BAM105)	electronic	1000 · County Account (44595)
E | Fax Plus						
	8/8/2021	52330 · Office Expense	6.11	Monthly Fax Machine Payment	debit card	3558 · SDCCU Checking
E | Granicus Inc						
	8/13/2021	52370.I · Professional Services	7,497.00	Consultant Services | Website Support Services	electronic	1000 · County Account (44595)
E | Manchester Financial 5th Ave. LP						
	8/30/2021	52530 · Office Lease	120.00	Vehicle Access Cards	electronic	1000 · County Account (44595)
E | Price Self Storage						
	8/2/2021	52504 · Equipment Rental	81.00	Storage Unit Monthly Payment (July)	credit card	3558-60 · SDCCU Visa Credit Card
	8/27/2021	52504 · Equipment Rental	81.00	Storage Unit Monthly Payment (August)	credit card	3558-60 · SDCCU Visa Credit Card
			162.00			
E | San Diego History Center						
	8/27/2021	52490 · Publications	53.63	MSR Photos	credit card	3558-60 · SDCCU Visa Credit Card

SAN DIEGO LAFCO
Expenses by Vendor Detail
August 2021

Payable | Receivable Party	Date	Account	Amount	Purpose	Type	Funding Account
E | Sprague & Associates						
	8/30/2021	52370.F · Professional Services	5,250.00	Consultant Services | Fire Services	electronic	1000 · County Account (44595)
E | Translation Services						
	8/17/2021	52370.L · Professional Services	492.07	Deposit Payment for Spanish Translation of Ramona MSR	credit card	3558-60 · SDCCU Visa Credit Card
	8/25/2021	52370.L · Professional Services	492.07	Final Payment for Spanish Translation of Ramona MSR	credit card	3558-60 · SDCCU Visa Credit Card
			984.14			
E | USPS						
	8/11/2021	52330 · Office Expense	1.05	Change of Office Address	debit card	3558 · SDCCU Checking
E | Zoom						
	8/4/2021	52270 · Memberships	14.99	LAFCO Monthly Video Conferencing Subscription	debit card	3558 · SDCCU Checking
	8/12/2021	52270 · Memberships	14.99	EO Monthly Video Conferencing Subscription	debit card	3558 · SDCCU Checking
			29.98			
EXPENSE TOTAL			117,776.09			
R | County of San Diego						
	8/1/2021	45918 · LAFCO Apportionment	678,448.80	LAFCO Apportionment for FY21-22	electronic	1000 · County Account (44595)
	8/31/2021	49200 · Interest & Dividends	33.68	Interest Payment to Account 46725	electronic	1001 · Committed - Stabilization (min. balance of $250k)
	8/31/2021	49200 · Interest & Dividends	39.50	Interest Payment to Account 46726	electronic	1002 · Commited - Opportunity (min. balance of $300k)
	8/31/2021	49200 · Interest & Dividends	16.56	Interest Payment to Account 46727	electronic	1003 · Assigned - Executive Oficer (up to $125k)
			678,538.54			
REVENUE TOTAL			678,538.54			

6c

AGENDA REPORT
Consent | Action

October 4, 2021

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Priscilla Allen, Analyst I

SUBJECT: **Ratification of an Administrative Approval | "Bear Valley Parkway Outside-of-Agency Service Agreement" - City of Escondido (OAS21-07)**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider ratification of an administrative approval by the Executive Officer for an outside-of-agency wastewater service agreement involving the City of Escondido. The agreement authorizes Escondido to provide wastewater service to an unincorporated single-family residential parcel and was approved by the Executive Officer based on documentation of a failing septic system and associated threat to public safety. The affected territory lies within the sphere of influence for Escondido and the Executive Officer's approval was termed on the landowner submitting a complete annexation proposal. Approval also expires in one calendar year unless a time extension is requested and authorized. It is recommended the Commission ratify the administrative approval consistent with statute and policy.

BACKGROUND

Outside Service Contracts | Statute and Policy Provisions

Government Code Section 56133 prohibits cities or special districts from providing new or extended services by contracts outside of their jurisdictional boundaries without prior LAFCO review and approval less certain and limited exemptions. In addition, cities or districts may

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City of Escondido
Kristi Becker, Alt.
City of Solona Beach
Chris Cate
City of San Diego
Marni von Wilpert, Alt.
City of San Diego
Jo MacKenzie
Vista Irrigation
Barry Willis
Alpine Fire Protection
David A. Drake, Alt.
Rincon del Diablo
Chair Andy Vanderlaan
General Public
Harry Mathis, Alt.
General Public

only provide services by contract outside of their boundaries and within their spheres of influence in anticipation of later annexations. If the affected territory lies outside the subject agencies' spheres, outside-of-agency services may only be extended in response to documented threats to public health and/or safety as determined by LAFCO.

San Diego LAFCO's adopted policies authorize the Executive Officer to approve outside-of-agency services in response to documented health, safety, or welfare impacts.[1] These policies also delegate discretion to the Executive Officer in determining whether public health, safety, or welfare threats exists on a case-by-case basis. The Executive Officer is required under policy to inform the Commission of all administrative approvals at the next available meeting.

Applicant Request and Administrative Approval

San Diego LAFCO received a request from an interested landowner (Adam Fares) in August 2021 for approval to enter into an outside wastewater service contract with the City of Escondido involving an approximate 0.6 acre unincorporated parcel. The subject parcel is developed with a 1,926 square-foot single-family residence, which was built in 1959 with a situs of 450 Bear Valley Parkway (239-060-05). The subject parcel lies immediately adjacent to the existing Escondido boundary and entirely with the City's sphere of influence. The request is premised on the residence's existing septic system – which was reportedly installed in 1976 – no longer functioning and either requiring a total rebuild or abandonment.

Upon receipt of the landowner's request, LAFCO staff coordinated with the City of Escondido and County of San Diego to verify the need and availability of public wastewater service for the affected territory. This included confirmation from the County Environmental Health Department attesting to an existing threat to public safety and recommending connection to a public wastewater system. The Executive Officer proceeded to issue a conditional administrative approval on August 20, 2021, which is provided as Attachment Two.

DISCUSSION

This item is for San Diego LAFCO to ratify an earlier administrative approval by the Executive Officer involving an outside wastewater service agreement allowing City of Escondido to extend wastewater service to the subject parcel at 450 Bear Valley Parkway. The item also provides the Commission the opportunity to offer related direction in processing these types of requests proceeding forward consistent with membership preferences.

ANALYSIS

San Diego LAFCO's administrative approval allowing the City of Escondido to contractually extend wastewater service beyond its jurisdictional boundary to the subject parcel at 450 Bear Valley Parkway conforms to statute and Commission policies. This includes allowing a temporary extension of service to directly abate an existing public health threat as attested by County Health while also providing a clear path towards annexation as the appropriate

[1] Reference to Rule No. 1.8.

long-term solution in memorializing Escondido's service area. Administrative approval has been conditioned on limiting wastewater service to only the existing residence; no additional development can be accommodated. Ratification serves to formalize the approval under statute and clarifies the Commission's interest in the Executive Officer administratively processing future requests similarly.

RECOMMENDATION

It is recommended San Diego LAFCO formally ratify the Executive Officer's administrative approval authorizing the City of Escondido to extend public wastewater service to the subject parcel at 450 Bear Valley Parkway in Escondido. This recommendation is consistent with Alternative One outlined below.

ALTERNATIVES FOR ACTION

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

Alternative One (recommended):
Ratify approval of the outside-of-agency wastewater service agreement between City of Escondido and the applicants issued by the Executive Officer on August 20, 2021 and the associated terms as provided in Attachment Two.

Alternative Two:
Continue item to a future meeting.

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,

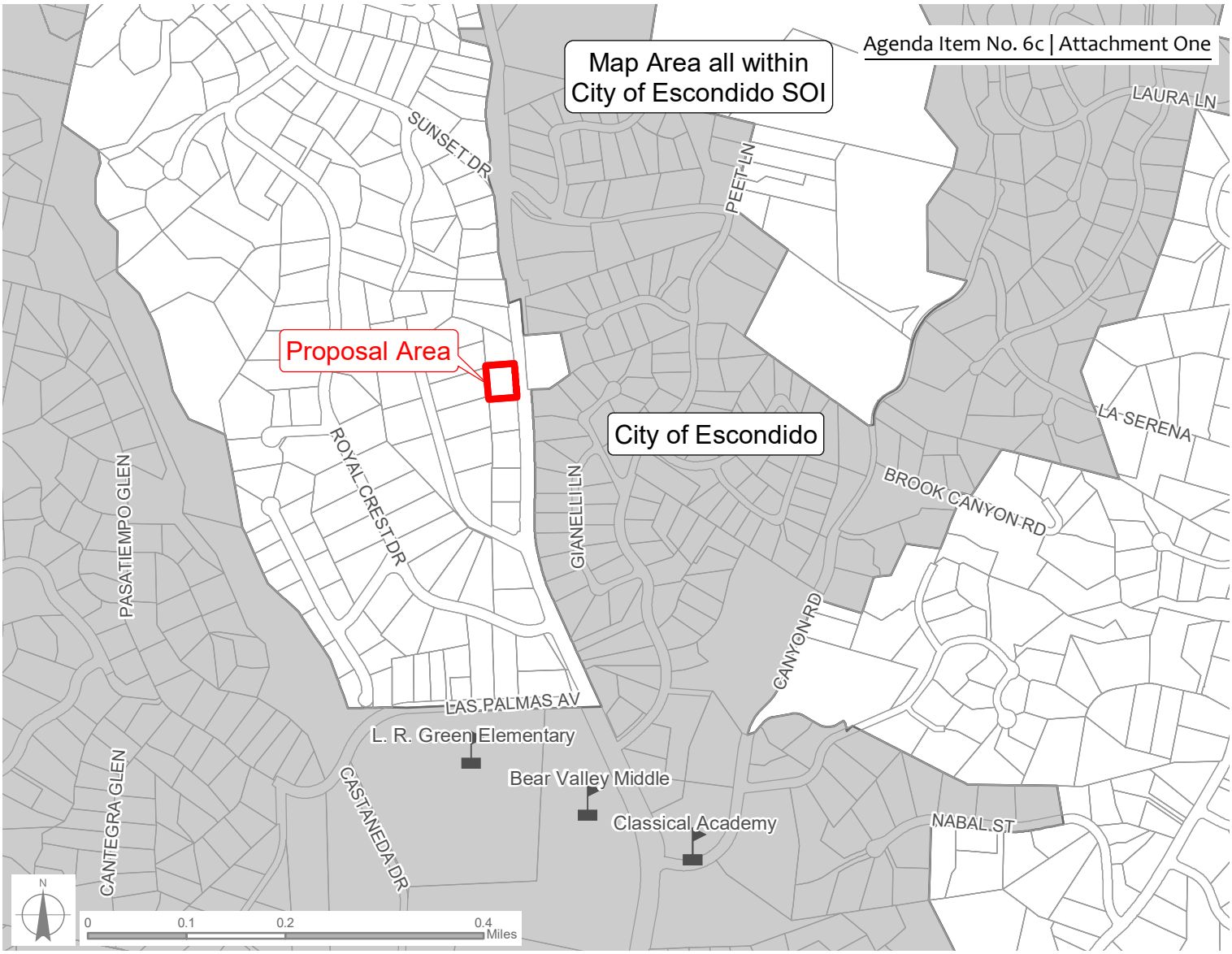


Priscilla Allen
Analyst I

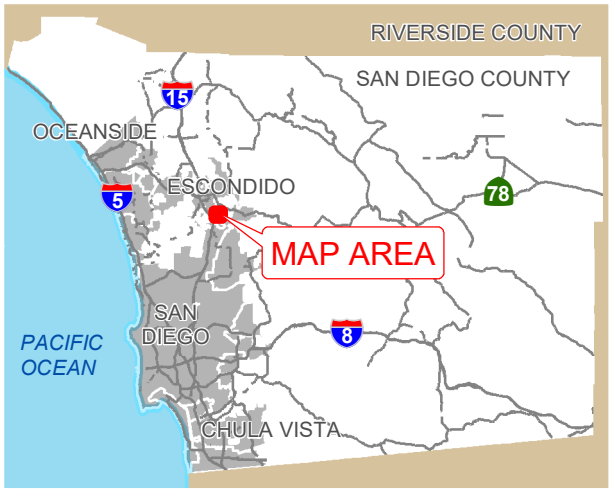
Attachments:

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

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OAS21-07 CONTRACTUAL WASTEWATER SERVICE AGREEMENT FOR THE CITY OF ESCONDIDO TO SERVE 450 BEAR VALLEY PARKWAY (APN 239-060-05)

Proposal Area
City of Escondido

SOI = Sphere of Influence

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F:\GIS\Vicinity_Maps\agendamaps2021\21-07 OAS Escondido Vicinity map.mxd

Created by Dieu Ngu -- 9/14/2021

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

August 20, 2021

Delivered Electronically:
Mr. Adam Fares
450 Bear Valley Parkway
Escondido California 92025
adam@fares-inc.com

SUBJECT: Notice of Conditional Approval:
Contractual Wastewater Service Agreement for the City of Escondido to Serve 450 Bear Valley Parkway (Assessor Parcel Number 239-060-05)

Mr. Fares:

This letter serves as formal notice of San Diego County Local Agency Formation Commission (LAFCO)'s conditional approval for the City of Escondido to establish contract wastewater service for your property located at 450 Bear Valley Parkway. This conditional approval is authorized under my powers pursuant to Government Code Section 56133 and adopted LAFCO policy and substantiated based on a review of written documentation showing the existing septic system has failed and poses a threat to public health. The conditional approval extends one calendar year unless extended and follows a written recommendation from the County of San Diego Department of Environmental Health and Quality to immediately transition the property to a public wastewater should it be available.

The conditional approval is limited to authorizing the City of Escondido to enter into an outside wastewater service agreement for only the existing residential dwelling unit comprising the affected territory. All approval conditions follow.

1. Receipt by San Diego LAFCO of a completed contractual service agreement form along with an application filing fee in the amount of $480.38. This amount reflects a 75% fee reduction given documentation of a public health threat. The form is available online.

Administration
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San Diego, California 92123
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www.sdlafco.org

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Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David A. Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

2. Receipt by San Diego LAFCO of a landowner-petition application to annex the affected territory to the City of Escondido along with a filing fee in the amount of $2,612.06. This amount includes a related boundary action involving County Service Area No. 135 and reflects a 75% fee reduction given documentation of a public health threat. The form is available online.

3. Receipt by San Diego LAFCO of a signed contractual wastewater service agreement between you as the landowner for the affected territory and the City of Escondido. The agreement must specify service is limited to the existing one dwelling unit.

Given the underlying urgency, I agree to waive the requirement of a map and geographic description of the affected territory being submitted to LAFCO in conjunction with the other terms listed above. These documents, nonetheless, will be required to be submitted before an annexation proposal is presented for consideration by the Commission within the referenced one-year timeframe.

Separate written confirmation of the completion of all conditions tied to this approval will be provided as appropriate and serve as official notice of your legal allowance to proceed with the contractual service with the City of Escondido.

Should you have any questions in the interim, please contact LAFCO Analyst Priscilla Allen by telephone or email at priscilla.allen@sdcounty.ca.gov.

Sincerely,



Keene Simonds
Executive Officer

cc: Angela Morrow, City of Escondido
Paul Bingham, City of Escondido
Craig Caes, County of San Diego – DEH
Priscilla Allen, San Diego LAFCO

County of San Diego

AMY HARBERT
DIRECTOR

DEPARTMENT OF ENVIRONMENTAL HEALTH AND QUALITY
LAND AND WATER QUALITY DIVISION
P.O. BOX 129261, SAN DIEGO, CA 92112-9261
Phone: (858) 505-6700 or (800) 253-9933 Fax: (858) 514-6583
www.sdcdeh.org

HEATHER BUONOMO, REHS
DIRECTOR OF ENVIRONMENTAL HEALTH

July 12, 2021

Paul Bingham
Assistant Planner II
City of Escondido

RE: Public Sewer Connection Urgency

Site Address: 450 Bear Valley Parkway, Escondido; APN: 239-060-05-00
Owner: Adam Fares

Dear Paul Bingham,

The Department of Environmental Health and Quality (DEHQ) received a report from Mohammad Aljazzar P.E. that conclusively demonstrates the onsite wastewater treatment system (OWTS) serving the existing residence at the address referenced above has failed and is in urgent need of replacement.

The failed OWTS was a system installed in 1976 as a repair and no reasonable alternatives remain for another repair installation. The parcel abuts Bear Valley Parkway and if a public sewer connection is available, DEHQ requests that connection to the public sewer be completed as soon as possible to remove the potential risk to public health due to the failing OWTS.

If there are any questions, I can be reached at (858) 694-2551 or craig.caes@sdcounty.ca.gov

Sincerely,

Craig Caes

Craig Caes
Supervising Environmental Health Specialist
Land and Water Quality Division
Department of Environmental Health & Quality
P.O. Box 129261, San Diego, CA 92112-9261

C: Adam Fares
adam@fares-inc.com
858-722-6410

July 12th, 2021

CALIFORNIA BUILDING ENGINEERS, INC.

8641 Moody Street Unit B
Cypress, CA 90630
(714) 745-0564
(510) 674-5270
www.cbestructural.com

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County of San Diego
Dept. of Environmental Health & Quality
5500 Overland Ave. Suite 170
San Diego, CA 92123

Subject: Failed Septic System 450 Bear Valley Pkwy. Escondido CA 92025

Kind Attn: Environmental Health Specialist,

This is regarding the subject as mentioned above, and in response to the urgent issue emerged at the site, and potentially hazardous living conditions the residence are susceptible to, accordingly this letter was issued.

Introduction:

The property is located withing the unincorporated lands under the jurisdiction of San Diego County, the parcel APN # is 239-060-05-00 with a total area of (0.62-Acres) and the situs address as provided and located at 450 Bear Valley Parkway, Escondido CA 92025.

The existing construction at the site includes a 2-Story Residence with a total area of (1,926 sq.ft.) and built around year 1959. The first floor being an open front Basement / Garage located under the East corner of the residence, and enclosed on the remaining sides, facing the paved driveway. The second floor being the main residence, includes three (3) bedrooms and two (2) Bathrooms a kitchen, dining, activity and living rooms.

The residence is serviced by the municipal water district of City of Escondido and powered by SCE Southern California Edison, and the original sanitation system of a septic tank with leach/drain field system.

The existing sanitation system includes the septic tank located under the driveway, the capacity of the existing septic tank is (1,200) gallons and was pumped and serviced regularly every (3 years) since the acquisition of the property year 2011. The leach field includes two (2) lines, both lines run parallel and extend towards the North, the first line is (100 ft) long and the second line (80 ft) long and was set offset to the first by 10 ft. The leach field is (25 ft) away of the East property line facing Bear Valley Pkwy. The existing septic system is shown on (Exhibit-1 and 2) as attached.

Scope:

The scope covered by this letter is based upon providing a visual inspection of the current septic system at the residence located per mentioned address and demonstrating the impracticality of repairing the existing system or provide an alternative sanitation system considering the existing site conditions and required setbacks.

Findings:

Per the visual inspection of the existing septic system the following conditions persist at the site;

1. Sanitation backing up to the residence basement/garage.
2. Existing leach lines appear to be damaged due to corrosion, the sewage effluent backing-up to the branch due to the clogged lines as extending into the leach field. (Exhibit-4)
3. No surfacing of sewage noticed at leach lines extensions at the north of property, since these lines were buried (6-7 ft) underground the higher level which matches the level at the 2nd floor. However, note that the garage/basement and driveway level occur at the lower ground level. (Exhibit-4)

Discussion:

While considering the property setbacks, the only alternative location of a leach field will be at the North "side lot" of the property, however due to the presence of lower grounds at the South "side lot" at the garage/driveway side, and the sloped "front lot" at the East of the property facing Bear Valley Pkwy, this location is deemed not feasible, due to high potential of seepage to the basement level and driveway.

The surfacing of sewage is not observed, as the leach lines are buried deeper than recommended, this restricts the proper dissipation of in transpiration and evaporation, the leach filed currently dissipates the effluent by infiltration/percolation, which has failed by time due to fine particles blocking the pores of underlaying soils. In addition, contributes to the low percolation rates and saturation of underlaying soil drain medium.

The onsite wastewater systems (OSWS) shall be setback from groundwater surface with a minimum separation of five (5) feet at the highest anticipated groundwater level. This condition is not guaranteed as the property is located downslope of natural slope and path of surface water flow towards nearby creek.

The proposed alternatives to the existing system locations and setout are displayed in Exhibit-3 as attached.

Conclusion:

In the light of the previous introductory and discussion of findings, a conclusion is made that the existing septic system if at failure with no alternative or repair to be made possible considering the site conditions, requirements and guidelines as recommended and enforced by the department of Environmental Health and (EPA) Environmental Protection Agency.

This concludes the intent of this report. Your kind attention and efforts to facilitate the resolution to this urgent issue is highly appreciated.

Sincerely,



Mohammad Aljazzar P.E.
Project Manager / Engineer of Record (PE License # C 91765)
California Building Engineers Inc.

Exhibit-1
(Septic System as described per Application and Permit year 1976)

APPLICATION AND PERMIT FOR SEPTIC TANK
EXPIRES ONE YEAR FROM APPLICATION DATE

Date: 9-1-76 | Number: 27537

Name of Owner: DELFANTE, Vince
Owner's Mailing Address: [redacted] (450) Bear Vy. Rd., Escondido
Address or Location of Job: [redacted] (450) Bear Vy. Rd., Escondido
C.T. 207.02
Legal Description of Bldg. Site: 239-060-05
Septic Tank Contractor:

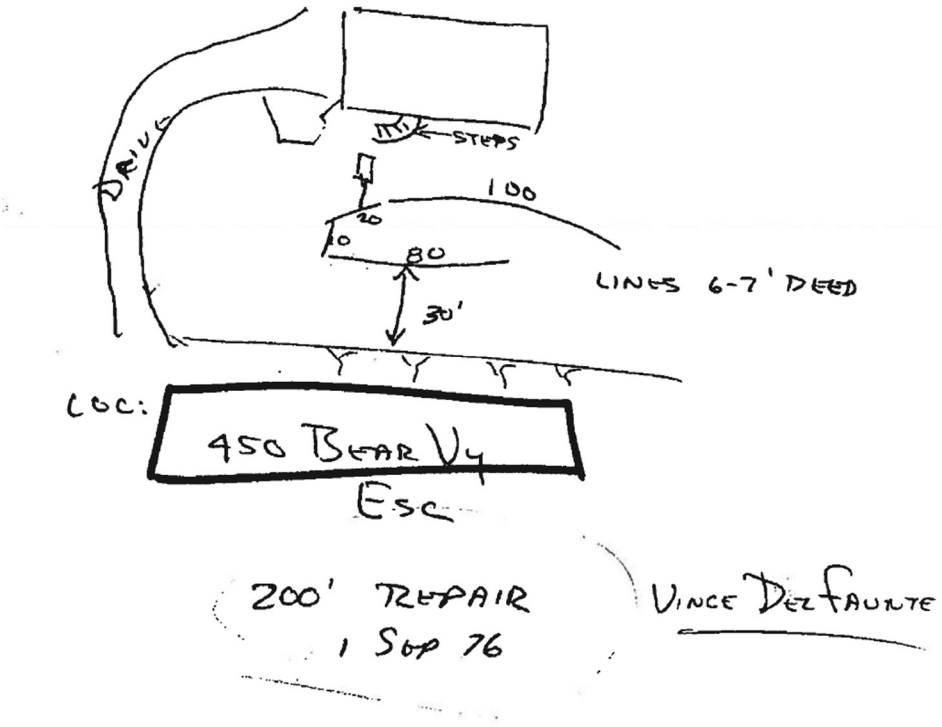
SPACE BELOW FOR DEPARTMENTAL USE ONLY $25.00

PERMANENT [X] TEMPORARY [ ]
DEPT. APPROVAL: jdk
Percolation Test:
Seepage Pit (Depth):
Subdivision:
Septic Tank:
Tillyer
Lot Split:
Tile Line: 200 ft.
Land Area:
Other:
REPAIR [X]
Temp. Letter:
WATER SOURCE: Escondido
TYPE OF STRUCTURE: Commercial [ ] Residential 3 BR

DATE REQUESTED	DATE INSPECTED	APPROVED	DISAPPROVED	REINSPECTION NUMBER	DATE REINSPECTED	SANITARIAN'S APPROVAL
						Rough
						Final

SAN 1 CITY OR CONTRACTOR

SAN DIEGO DEPARTMENT OF PUBLIC HEALTH
1600 Pacific Hwy., San Diego, Calif. 92101



Information above as obtained from San Diego County Environmental Health Department, and provided by Property Owner.

Exhibit-2 (Site Plan with Existing Septic System)





Please see next page…

(Site Plan with Existing Septic System))

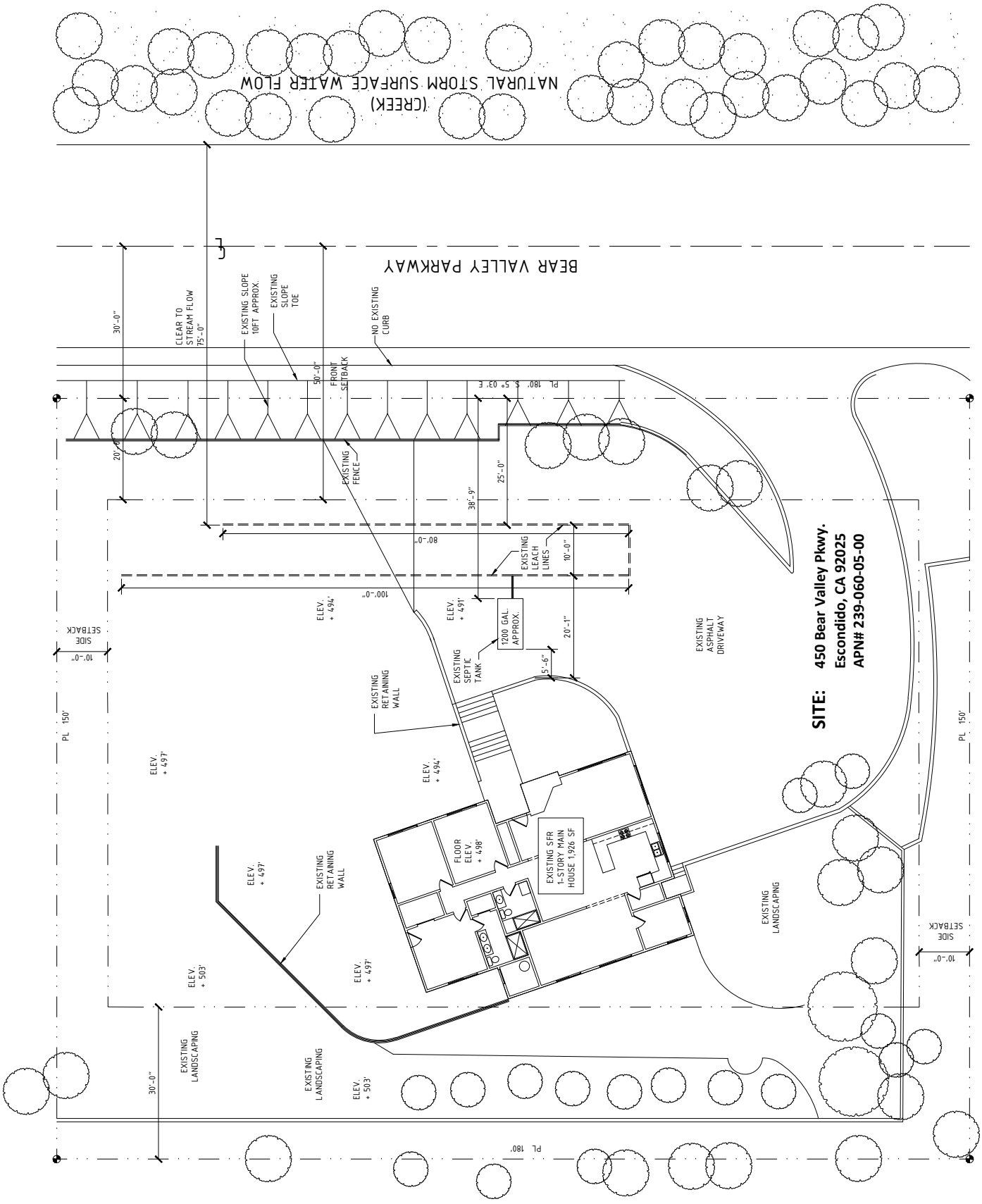


Exhibit-3 (Site Plan with Alternative Location of Septic System)

The required setbacks as follows:

For 3 Bedrooms, assuming 390 gpd (lower bound, 450 gpd would be max.) and a reduced percolation rate of 21-30 minutes per inch,

The required length of 2ft wide conventional gravel trenches is 325 ft. (375 for max. gpd)

In addition, the leach field would require an area of 650 sq.ft. minimum.
This is assuming 0.6 gallon per day / sq.ft. for an absorption percolation rate mentioned above.

Alternative Location deemed not permitted with reference to guidelines on setbacks and ground water separation and required clearance to the Natural Creek along Bear Valley Pkwy.

Please see next page…

(Site Plan with Alternative Location of Septic System)

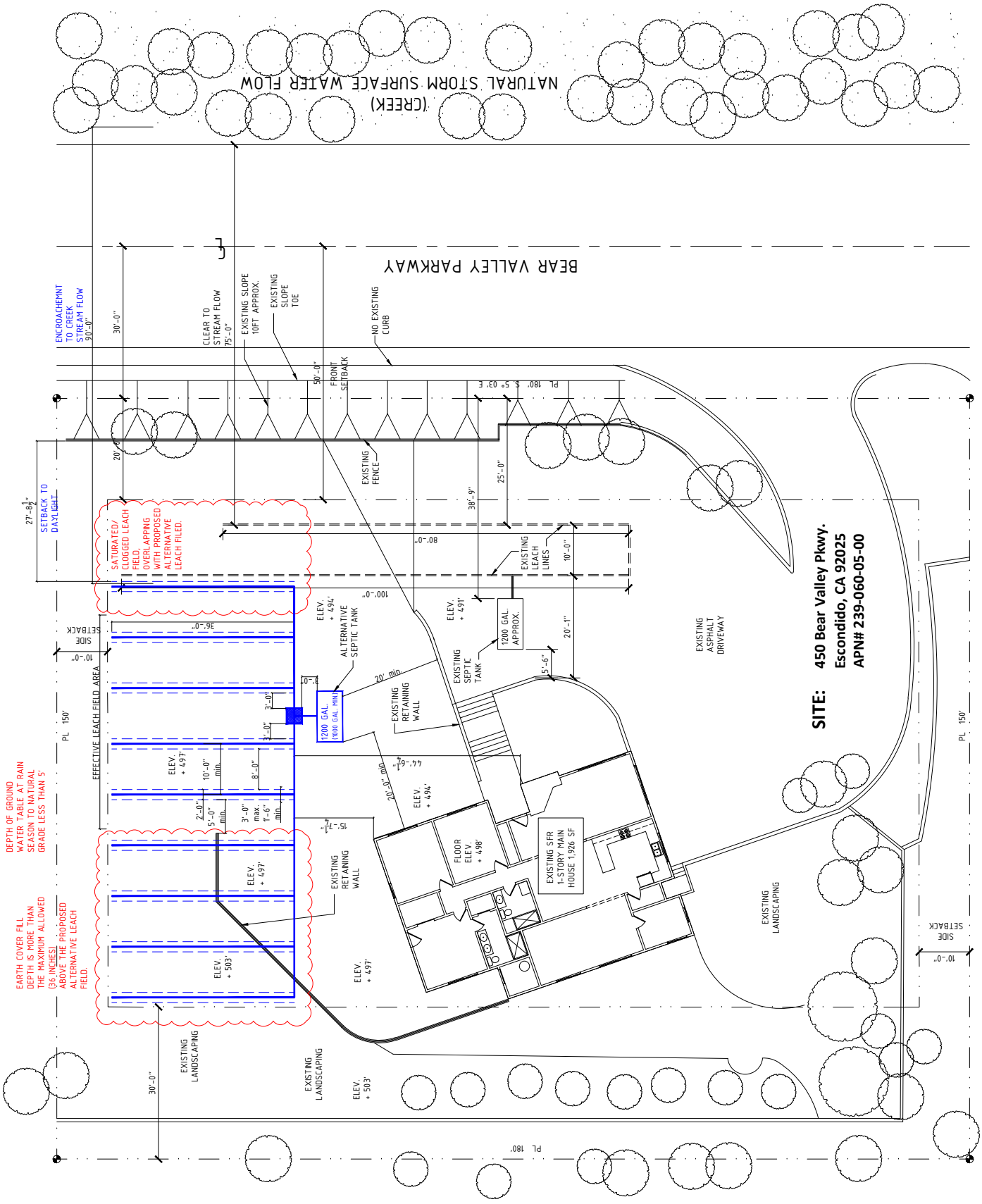


Exhibit-4 (Photography)





Leach lines as appears at branch, with sewage backed-up, note corroded/deteriorated pipes.

Exhibit-4 (Photography, continued)



Septic tank location, note construction of tank at lower ground level.



End of Report ■

6d

AGENDA REPORT
Consent | Action

October 4, 2021

TO: Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: **Proposed Budget Amendments for 2021-2022**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will consider proposed amendments to help ensure all budgeted operating expense units finish 2021-2022 with positive operating balances. The proposed amendments involve the internal transfer of $0.055 million out of the Salaries-Benefits Unit and into the Services-Supplies Unit. The proposed amendments cover the costs of furnishing the new LAFCO office that were unbudgeted at the start of the fiscal year. The proposed amendments do not change the total adopted budget expense of $1.941 million. Staff recommends approval.

BACKGROUND

Operating Budget and Fund Balance

San Diego LAFCO's adopted budget for 2021-2022 totals $1.941 million. This amount represents the total approved operating expenditures for the fiscal year and largely divided between two core units: Salaries-Benefits and Services-Supplies. A matching revenue total was also budgeted to provide a projected year-end net of $0 and with the purposeful aid of a planned $0.083 million transfer from unassigned reserves. The unrestricted fund balance as of July 1, 2021 was $1.623 million with $0.948 million unassigned.

Administration
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Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

DISCUSSION

This item is for San Diego LAFCO to consider proposed amendments for 2021-2022 involving the internal transfer of $0.055 million in budgeted expenses. The specific amendments would redirect budgeted monies from the salaries line-item in the Salaries-Benefits Unit and into the office supplies and furnishings line-item in the Services-Supplies Unit. The timing of the proposed amendments follows staff updating their year-end budget projections in step with completing the office relocation and related need to ensure all expense units finish with positive balances.

ANALYSIS

The proposed amendments before San Diego LAFCO remedy a projected year-end deficit within the Services-Supplies Unit by drawing on surplus monies in the Salaries-Wages Unit. The projected deficit in the Services-Supplies Unit ties to LAFCO's recent office relocation – which was finalized after the budget was adopted in May 2021 – that engendered several one-time costs and headlined by purchasing approximately $0.055 million in new furnishings. Close to 90% of these costs involve office furniture (desks, chairs, cabinets, etc.) purchased from one vendor and detailed in Attachment Two at the earlier request of Commissioner MacKenzie.[1] Staff separately projects a surplus of budgeted monies in the Salaries-Wages Unit given recent and pending retirements of two budgeted employees. These latter savings can readily accommodate the proposed transfer without impact.

RECOMMENDATION

It is recommended San Diego LAFCO approve budget amendments for 2021-2022 involving the transfer of $0.055 million in surplus monies within the Salaries-Benefits Unit to the Services-Supplies Unit. This recommendation is consistent and further prescribed as Alternative One outlined below.

ALTERNATIVES FOR ACTION

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

Alternative One (recommended):
Approve the following budget amendments for 2021-2022:

(a) Amend and reduce budgeted monies in the salaries and wages account (Salaries-Benefits) from $756,365 to $701,365; a difference of ($55,000).

(b) Amend and increase budgeted monies in the office supplies and furnishing account (Services-Supplies) from $14,300 to $69,300; a difference of $55,000.

[1] The remainder of furnishing purchased for the new office involve wall art (photography from local artists).

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

Attachments:

1) 2021-2022 Operating Budget with Actuals Through August 31st and Year-End Projections
2) Furniture Purchases for New Office

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San Diego County Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

OPERATING EXPENSES

		FY 2019-2020		FY 2020-2021		FY 2021-2022				
		Adopted (as amended)	Actuals	Adopted (as amended)	Actuals	Adopted	Actuals Aug 31st	Actuals % Budget	Projected Year End	Projected % Expended
Salaries and Benefits Unit										
Account No.	Description									
51110-51310	Salaries and Wages	722,780	695,356	841,000	851,062	756,365	117,135	15.5%	688,676	91.1%
51410	Retirement - SDCERA	258,148	255,294	316,593	293,416	301,077	42,237	14.0%	251,319	83.5%
51415	Retirement - OPEB	10,539	10,165	10,977	9,944	9,164	1,386	15.1%	7,858	85.7%
51421	Retirement - OPEB Bonds	40,321	38,219	41,998	38,804	37,655	5,852	15.5%	32,783	87.1%
51450	Payroll Taxes	53,393	49,698	55,613	61,062	55,934	8,962	16.0%	48,967	87.5%
51510-51550	Group Insurance	100,234	105,031	103,116	116,261	130,169	17,715	13.6%	115,901	89.0%
51560	Unemployment Insurance	3,769	138	2,000	239	2,000	69	3.5%	759	38.0%
		1,189,184	1,153,901	1,371,297	1,370,788	**1,292,364**	**193,356**	**15.0%**	**1,146,264**	**88.7%**
Services and Supplies Unit										
Account No.	Description									
52074	Communications	3,600	3,829	3,636	6,937	6,336	538	8.5%	5,906	93.2%
52138	General Liability Insurance	-	3,419	-	10,576	10,788	306	2.8%	11,093	102.8%
52178	Vehicle - Maintenance	1,500	1,309	980	646	980	56	5.7%	500	51.0%
52182	Vehicle - Fuel	1,000	245	1,000	112	500	-	0.0%	450	90.0%
52270	Memberships	28,139	18,049	18,181	17,261	25,510	11,546	45.3%	25,510	100.0%
52304	Miscellaneous	50	10	50	25	50	-	0.0%	-	0.0%
52330	Office: General	7,420	4,781	7,420	6,064	6,420	1,050	16.3%	6,050	94.2%
52332	Office: Postage	500	275	500	22	250	-	0.0%	250	100.0%
52334	Office: Printing	10,000	1,199	10,000	7,916	8,000	1,434	17.9%	8,000	100.0%
52336	Office: Books and Guidelines	2,000	4,112	2,000	437	2,000	-	0.0%	1,750	87.5%
52338	Office: Drafting/Engineering	50	-	50	-	50	-	0.0%	-	0.0%
52344	Office: Supplies and Furnishings	17,800	8,145	15,800	6,692	14,300	47,104	329.4%	53,507	374.2%
52354	Office: County Mail Services	10,000	8,514	10,000	7,156	10,000	1,663	16.6%	7,500	75.0%
52370	Professional Services: Consultants	234,505	226,762	190,094	192,297	199,740	38,278	19.2%	200,000	100.1%
52490	Publications and Legal Notices	4,650	8,088	4,650	15,118	4,650	2,542	54.7%	12,000	258.1%
52504	Leases: Equipment	6,600	5,915	6,600	6,477	6,600	1,576	23.9%	6,500	98.5%
52530	Leases: Office Space	82,657	81,877	84,764	109,094	89,764	9,034	10.1%	100,518	112.0%
52550	Special Expenses: County Overhead	100,896	48,613	50,904	40,739	75,346	9,197	12.2%	64,380	85.4%
52562	Special Expenses: HR Rpts	-	-	-	1,112	-	-	0.0%	-	0.0%
52566	Special Expenses: Minor Equipment	1,000	641	1,000	-	500	-	0.0%	-	0.0%
52602	Computer Training	2,000	-	2,000	-	500	-	0.0%	-	0.0%
52610	Travel and Training | In County	4,500	7,367	4,500	2,364	3,000	716	23.9%	2,216	73.9%
52612	Employee Auto	9,700	8,779	9,700	7,200	8,700	1,200	13.8%	7,200	82.8%
52620	Tutition Reimbursements	-	-	-	-	-	810		2,400	0.0%
52622	Travel and Training | Out of County	23,550	13,271	-	-	5,000	-	0.0%	5,000	100.0%
52704-52722	Reimbursements: Network	30,000	29,065	30,000	31,162	30,000	4,560	15.2%	27,361	91.2%
52723	Reimbursements: Data Center	45,000	29,233	29,006	28,752	40,000	4,584	11.5%	27,507	68.8%
52725	Reimbursements: Financial Systems	20,000	23,320	20,000	19,575	20,000	3,030	15.1%	18,180	90.9%
52726-52732	Reimbursements: Desktop Computing	25,000	51,246	43,000	46,459	25,000	4,024	16.1%	24,146	96.6%
52734	Reimbursements: Help Desk	3,000	2,689	3,000	2,274	3,000	371	12.4%	2,228	74.3%
52750-52754	Reimbursements: Catalog Equipment	45,000	38,602	10,532	8,776	45,000	-	0.0%	35,000	77.8%
52758	Reimbursements: Vehicle Lease	2,000	1,986	2,000	1,986	2,000	331	16.5%	1,986	99.3%
		722,117	631,341	561,367	559,716	**643,984**	**143,951**	**22.4%**	**657,135**	**102.0%**

OPERATING EXPENSES CONTINUED...		FY 2019-2020		FY 2020-2021		FY 2021-2022				
		Adopted	Actuals	Adopted	Actuals	Proposed Final	Actuals Aug 31st	Actuals % Budget	Projected Year End	Projected % Expended
Other Units										
Account No.	Description									
53585	Equipment Depreciation	2,500	2,500	2,500	-	2,500	-	0.0%	2,500	100.0%
54955-54961	Fixed Assets	2,500	-	2,500	-	2,500	-	0.0%	-	0.0%
		5,000	2,500	5,000	-	**5,000**	**-**	**0.0%**	**2,500**	**50.0%**
	EXPENSE TOTALS	1,916,300	1,787,742	1,937,664	1,930,504	**1,941,348**	**337,307**	**17.4%**	**1,805,899**	**93.0%**

OPERATING REVENUES		FY 2019-2020		FY 2020-2021		FY 2021-2022				
		Adopted	Actuals	Adopted	Actuals	Proposed Final	Actuals Aug 31st	Actuals % Budget	Projected Year End	Projected % Collected
Intergovernmental Unit										
Account No.	Description									
45918.1	Apportionments | County	486,771	486,771	483,914	483,914	483,914	1,628,416	336.5%	483,914	100.0%
45918.2	Apportionments | Cities (less SD)	486,771	486,771	483,914	483,914	483,914	-	0.0%	483,914	100.0%
45918.3	Apportionments | City of San Diego	243,386	243,386	241,957	241,957	241,957	-	0.0%	241,957	100.0%
45918.4	Apportionments | Special Districts	486,771	486,771	483,914	483,914	483,914	-	0.0%	483,914	100.0%
		1,703,700	1,703,700	1,693,700	1,693,700	**1,693,700**	**1,628,416**	**96.1%**	**1,693,700**	**100.0%**
Service Charges Unit										
Account No.	Description									
46234	Application Fees	125,000	201,419	130,000	221,918	150,000	30,619	20.4%	150,000	100.0%
		125,000	201,419	130,000	221,918	**150,000**	**30,619**	**20.4%**	**150,000**	**100.0%**
Earnings Unit										
Account No.	Description									
44105	Interest and Dividends	15,000	25,812	20,000	8,368	15,000	1,213	8.1%	10,000	66.7%
		15,000	25,812	20,000	8,368	**15,000**	**1,213**	**8.1%**	**10,000**	**66.7%**
Miscellaneous Unit										
Account No.	Description									
47540	Transfer from Fund Balance	72,600	-	72,600	72,600	82,648	-	0.0%	82,648	100.0%
		72,600	-	72,600	72,600	**82,648**	-	0.0%	**82,648**	**100.0%**
	REVENUE TOTALS	1,916,300	1,930,931	1,916,300	1,996,586	**1,941,348**	**1,660,247**	**85.5%**	**1,936,348**	**99.7%**

OPERATING NET		-	**143,189**		**66,082**	-				

FUND BALANCE (unrestricted)		**audited**	**unaudited**
	Committed		
	... Stabilization	250,000	250,000
	... Opportunity	300,000	300,000
	Assigned by EO	125,000	125,000
	Unassigned	954,738	948,220
		1,629,738	1,623,220

NATIONAL BUSINESS FURNITURE

National Business Furniture, LLC
770 South 70th Street
Milwaukee, WI 53214
Service: 800.558.1010 option 2
Fax: 800.329.9349 www.NBF.com
Email: service@nbf.com
Federal ID: 20-3851320

Invoice: QL278932

Invoice Date: July 23, 2021
Due On: August 22, 2021

◄ Please remit payment to this address

Bill to:

SD LAFCO
KEENE SIMONDS
9335 HAZARD WAY STE 200
SAN DIEGO, CA 92123

Account Number:AY5262

Ship to:

SD LAFCO
KEENE SIMONDS
9335 HAZARD WAY STE 200
SAN DIEGO, CA 92123

Account Number:AY5262

Please return the top portion with your remittance

Qty	Item	Description	Price Each	Extended Price
1	16093	Corner Desk Adj Ht 72x72	$1,165.59	$1,165.59
1	221425	Coffee Table	$525.69	$525.69
1	30884	4 Drawer Lateral File 42"W	$674.10	$674.10
1	36334	Steel Shelving-36"W x 24"D	$323.10	$323.10
1	36596	72"Wall Cabinet	$1,061.10	$1,061.10
4	53031	Polyurethane Chair	$377.10	$1,508.40
1	58102	48" Round Table	$467.10	$467.10
1	14663	Corner Desk w/ Inside Curve	$295.61	$295.61
1	16536	Low Wall Cabinet w/Wood Doors	$434.83	$434.83
1	221485	Mesh Chair	$210.59	$210.59
2	30936	Box/Box/File Mobile Pedestal	$395.10	$790.20
6	56622	Faux Leather Conference Chair	$192.54	$1,155.24
1	221554	78" Conference Table	$336.73	$336.73
1	16099	Corner Desk Mod Panel 60x60	$871.71	$871.71
1	221485	Mesh Chair	$210.59	$210.59
2	53610	Armless Oversize Guest Chair	$530.10	$1,060.20
1	87334	Full Spectrum LED Desk Lamp	$82.80	$82.80
1	16099	Corner Desk Mod Panel 60x60	$871.71	$871.71
1	221485	Mesh Chair	$210.59	$210.59
2	53610	Armless Oversize Guest Chair	$530.10	$1,060.20
1	87334	Full Spectrum LED Desk Lamp	$82.80	$82.80
1	221485	Mesh Chair	$210.59	$210.59
2	221585	Lateral File w/Storage	$458.10	$916.20
1	16377	L Desk w/Adj Ht Rgt Return 60"	$1,574.10	$1,574.10
1	221485	Mesh Chair	$210.59	$210.59
1	34963	Three Drawer Pedestal w/Lock	$251.10	$251.10
2	76895	Armless Guest Chair	$215.10	$430.20
1	87334	Full Spectrum LED Desk Lamp	$82.80	$82.80
1	16377	L Desk w/Adj Ht Rgt Return 60"	$1,574.10	$1,574.10
1	221485	Mesh Chair	$210.59	$210.59
1	34963	Three Drawer Pedestal w/Lock	$251.10	$251.10
2	76895	Armless Guest Chair	$215.10	$430.20
1	87334	Full Spectrum LED Desk Lamp	$82.80	$82.80
1	221485	Mesh Chair	$210.59	$210.59
2	76895	Armless Guest Chair	$215.10	$430.20
1	87334	Full Spectrum LED Desk Lamp	$82.80	$82.80
1	221485	Mesh Chair	$210.59	$210.59
2	76895	Armless Guest Chair	$215.10	$430.20
1	87334	Full Spectrum LED Desk Lamp	$82.80	$82.80

Subtotal	$21,070.43
Shipping	$4,387.11

Installation	$4,380.38
Tax	$1,632.96
Total	**$31,470.88**
Payments	$0.00
Adjustments	$0.00
Balance Due	**$31,470.88**

THANK YOU FOR YOUR ORDER

Options to Pay

1. ACH (Preferred Method)
   Bank Routing Number: 075000019
   Account Number: 650560600
   Account Name: National Business Furniture, LLC
2. Credit Card – Call 1-800-558-1010 (Option #2) to process credit card payment
3. Check – mail check payable to National Business Furniture, LLC to 770 S 70th street, Milwaukee, WI 53214

*Terms Net 30

If your deposit was made with a credit card and the balance is not paid within 60 days of invoice date, your credit card will be charged" automatically for the balance

Need a copy of our W-9? Please visit our website at:
https://www.nbf.com/Customer-Services/FAQs/Duns-and-Federal-Tax-Identification-Numbers

No returns accepted without prior written consent from National Business Furniture, LLC

Sales Tax will be included only for shipments into locations where we are registered to collect sales tax. Customer may be liable for self-assessment if shipment is into a location where we are not registered to collect tax. If you feel any taxes are charged in error, please make sure we have received the proper exemption documentation. All documentation will be reviewed to ensure it meets state & local requirements prior to removing any taxes.

Customer: Your local sales associate is David Hulst

National Business Furniture, LLC
770 South 70th Street
Milwaukee, WI 53214
Service: 800.558.1010 option 2
Fax: 800.329.9349 www.NBF.com
Email: service@nbf.com
Federal ID: 20-3851320

Invoice: QL279722

Invoice Date: July 23, 2021
Due On: August 22, 2021

◄ Please remit payment to this address

Bill to:

SD LAFCO
KEENE SIMONDS
9335 HAZARD WAY STE 200
SAN DIEGO, CA 92123

Account Number:AY5262

Ship to:

SD LAFCO
KEENE SIMONDS
9335 HAZARD WAY STE 200
SAN DIEGO, CA 92123

Account Number:AY5262

Please return the top portion with your remittance

Qty	Item	Description	Price Each	Extended Price
2	14479	Four Shelf Credenza	$359.10	$718.20
1	14499	Credenza with Hutch	$719.10	$719.10
1	14499	Credenza with Hutch	$719.10	$719.10
1	37409	Storage Unit 60"	$285.56	$285.56
1	37409	Storage Unit 60"	$285.56	$285.56
4	56622	Faux Leather Conference Chair	$192.54	$770.16
2	76913	Lounge chair	$295.61	$591.22
1	58292	66" L Desk Executive Set	$2,140.54	$2,140.54
1	58292	66" L Desk Executive Set	$2,140.54	$2,140.54
1	10349	U-Shape Reception w/ADA Return	$3,554.10	$3,554.10

Subtotal	$11,924.08
Shipping	$2,376.15
Installation	$408.75
Tax	$924.12
Total	**$15,633.10**
Payments	$0.00
Adjustments	$0.00
Balance Due	**$15,633.10**

THANK YOU FOR YOUR ORDER

Options to Pay

1. ACH (Preferred Method)
   Bank Routing Number: 075000019
   Account Number: 650560600
   Account Name: National Business Furniture, LLC
2. Credit Card – Call 1-800-558-1010 (Option #2) to process credit card payment
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Need a copy of our W-9? Please visit our website at:
https://www.nbf.com/Customer-Services/FAQs/Duns-and-Federal-Tax-Identification-Numbers

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Sales Tax will be included only for shipments into locations where we are registered to collect sales tax. Customer may be liable for self-assessment if shipment is into a location where we are not registered to collect tax. If you feel any taxes are charged in error, please make sure we have received the proper exemption documentation. All documentation will be reviewed to ensure it meets state & local requirements prior to removing any taxes.

Customer: Your local sales associate is David Hulst

6e

AGENDA REPORT
Consent | Information

October 4, 2021

TO: Commissioners

FROM: Priscilla Allen, Analyst I

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 related applications on file with the Commission as well as anticipated filings based on ongoing discussions with local agencies. In all, there are 21 active proposals on file with 17 awaiting Commission hearing. Three new proposals have been filed since the last report. The item is for information and concurrently satisfies LAFCO's reporting requirement to affected agencies for notification of proposal filings made by petitions.

BACKGROUND

Processing Procedures and Timelines

LAFCO proceedings for jurisdictional changes are generally initiated by outside applicants through petitions (landowners or voters) or 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. Minimum 30-day administrative reviews follow all jurisdictional change filings. Property tax exchange agreements must also be completed as part of the administrative reviews. Overall, most jurisdictional change administrative reviews take three to five months to complete before the

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filings are scheduled for hearing. Applications for outside-of-agency service approvals – which are subject to separate procedures – generally take two months to process.

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 to local agencies when proposed jurisdictional changes are initiated by petitions.[1] All active and pending proposals are outlined in Attachment One.

ANALYSIS

None.

RECOMMENDATION

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

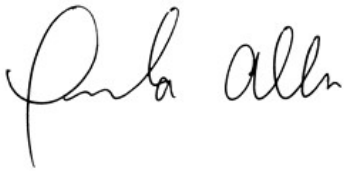
ALTERNATIVES FOR ACTION

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 staff,



Priscilla Allen
Analyst I

Attachment:

1) Active and Pending Proposals as of September 24, 2021

[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)	Linda Heckenkamp	Application submitted in March 2006 to annex six parcels to the City of Escondido for wastewater service. In 2006, LAFCO approved two out-of-service agreements to allow the City of Escondido to provide wastewater service to two residences with failing septic systems located along Tobacco Road. The agreements between the City and landowners required the annexation of the two parcels. The proposal was deemed incomplete in April 2006 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Two of the affected landowners have responded to the letter and are now working with the City in determining if the other landowners are interested/willing to proceed with the annexation at this time. Discussions continue.
2	RO08-09	"South Mollison Ave-Snyder Reorganization" - City of El Cajon (Annexation)	Linda Heckenkamp	Application submitted in May 2008 for a proposed annexation to the City of El Cajon. The annexation area includes approximately 1.25 acres and is subject to a proposed multi-family residential project and was deemed incomplete in June 2008 status letter. A new status letter was sent in January 2018 to the applicant, new property owner, and City stating the proposal will be considered abandoned unless notified otherwise. No response from any of the interested parties to date. (Expected abandonment subject to pending policy authorization.)
3	DA08-10	"Avocado Way-Potter Annexation" - Vallecitos WD (Annexation)	Linda Heckenkamp	Application submitted in March 2008 for a proposed annexation to Vallecitos WD to obtain wastewater service for two existing residences along Avocado Way but deemed incomplete in April 2008 status letter. A new status letter was sent to the applicant in January 2018 stating the proposal will be considered abandoned unless notified otherwise. The current property owner has responded and conveyed their interest to proceed with the annexation. Discussions continue.
4	RO08-15 SA08-15	"Crestlake Estates Reorganization" - San Diego County SD (Annexation) - Lakeside FPD (Annexation) - CSA 69 (Annexation)	Linda Heckenkamp	Application submitted in May 2008 requesting a reorganization to provide wastewater services to an approved Tentative Map allowing the development of 60 single-family residences and was deemed incomplete in June 2008 status letter. A new status letter was sent to the applicant in February 2018 stating the proposal will be considered abandoned unless notified otherwise. No response to date. (Expected abandonment subject to pending policy authorization.)

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
5	DA12-02	"Lorch Annexation" - Borrego WD (Annexation)	Linda Heckenkamp	Application submitted in March 2012 to annex approximately 9.4 acres to the Borrego Water District to provide water service to one parcel within the District sphere. Application deemed incomplete in an April 2012 status letter. A new status letter was sent in January 2018 stating the proposal will be considered abandoned unless notified otherwise. Borrego WD responded to the letter and has reinitiated discussions with the landowner regarding possible service terms. Discussions continue.
6	DA16-10	"CSA 17 Harmony Grove Annexation" - CSA 17 (Annexation)	Linda Heckenkamp	Application submitted in May 2016 to annex approximately 3,600 acres to CSA 17 for ambulance service and done so as a cross-condition of the Rancho Santa Fe Fire Protection District Reorganization: Dissolution of CSA No. 107 (Elfin Forest/Harmony Grove). The proposal was deemed incomplete in June 2016 status letter. The CSA 17 Advisory Committee has opposed the annexation. A negotiated property tax exchange agreement is also necessary. LAFCO continues to discuss project with County with the intent on bringing forward to the Commission once all required information is collected/analyzed.
7	RO16-11	"Rancho Hills Annexation" - Rancho Santa Fe CSD (Annexation)	Keene Simonds	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 November 2016 status letter. Applicant has requested the proposal processing be placed on hold. Staff has remained in contact with the applicant and is awaiting their confirmation to proceed.
8	Ro19-04	"Ortega – Olde Highway 80 Change of Organization" - San Diego County Sanitation District (Annexation)	Linda Heckenkamp	Application submitted in February 2019 by landowner petition to annex two residential lots totaling approximately 5.07 acres to San Diego County Sanitation District for wastewater service. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
9	SA19-26 RO19-26 OAS19-26	"Valiano - Eden Valley Reorganization" - City of Escondido (Sphere Amendment and OSA) - San Marcos FPD (Annexation) - Rancho Fe FPD (Sphere Amendment & Detachment)	Keene Simonds	Application submitted in November 2019 jointly by landowner petition and the City of Escondido and involves a reorganization and outside-of-agency service agreement as part of the "Valiano" planned development in Harmony Grove. The reorganization involves the concurrent annexation of approximately 10.8 unincorporated acres to San Marcos FPD and detachment from Rancho Santa Fe FPD and related sphere amendments. The outside-of-agency service agreement approval request involves the extension of wastewater from the City of Escondido for approximately 82.9 unincorporated acres with related sphere amendments to add to Escondido and remove from San Marcos. The application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis.
10	LP(E)19-27	"Fallbrook Public Utility District Latent Power Expansion - Park & Rec et,al."	Keene Simonds	Application submitted in November 2019 by resolution seeking approval to activate Fallbrook PUD's latent power to exercise park and recreation, street lighting and roads and street functions within its boundaries. The submitted proposal application is incomplete and pending receipt of additional documentation and this includes completion of a scheduled municipal service review for the Fallbrook-Rainbow region.
11	RO20-04	"Rainbow MWD – Eastern MWD Reorganization" – San Diego County Water Authority (Detachment) – Eastern Municipal Water District (Annexation)	Keene Simonds	Application submitted April 2020 by resolution from the Rainbow MWD to concurrently detach from the San Diego County Water Authority and annex to the Eastern MWD. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis. A 10-member advisory committee has also been established by the Commission to assist staff in evaluating the proposal.
12	RO20-05	"Fallbrook PUD – Eastern MWD Reorganization" – San Diego County Water Authority (Detachment) – Eastern Municipal Water District (Annexation)	Keene Simonds	Application submitted April 2020 by resolution from the Fallbrook PUD to concurrently detach from the San Diego County Water Authority and annex to the Eastern MWD. The submitted proposal application is incomplete and pending receipt of additional documentation and information from the applicant to complete staff's analysis. A 10-member advisory committee has also been established by the Commission to assist staff in evaluating the proposal.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
13	CO21-01	"Sunset Drive Change of Organization" - Vista Irrigation District (Detachment) - Vista Irrigation District (Sphere Amendment)	Priscilla Allen	Application submitted in January 2021 by landowner petition and involves detachment of approximately 7.8 acres from Vista Irrigation District as a condition of development approved by the City of Oceanside. The affected territory is undeveloped with a proposed development by the landowner of 48 townhomes. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff's analysis.
14	RO21-04	"Mar Vista Island Reorganization" - City of Vista (Annexation) - Vista Fire Protection District (Detachment) - Buena Sanitation District (Detachment)	Priscilla Allen	Application submitted in July 2021 by resolution of the City of Vista seeking approval for reorganization of approximately 142 unincorporated acres known as the Mar Vista Island. Reorganization of the affected territory comprised of 108 parcels would involve annexation to the City of Vista and detachment from the Buena Sanitation District and Vista Fire Protection District. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff's analysis.
15	CO21-05	"Sunray Lane Change of Organization" - Otay Water District (Annexation) - Otay Water District (Sphere Amendment)	Priscilla Allen	Application submitted in July 2021 by landowner petition and involves annexation of approximately 0.6 acres for wastewater services to replace an aging septic system and facilitate the construction of an accessory dwelling unit. The affected territory is presently developed with a single-family residence. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff's analysis.
16	CO21-06	"Winter Haven Road Change of Organization" - Fallbrook PUD (Expansion of Wastewater Service Area)	Keene Simonds	Application submitted in August 2021 by joint landowner petitions and involves expansion of Fallbrook Public Utility District's activated wastewater service area. The affected territory spans 1.5 acres and is divided by two non-contiguous parcels separately owned by each petitioner. The submitted proposal application is incomplete and pending receipt of additional documentation from the applicant to complete staff's analysis.
17	OAS21-07	"Bear Valley Parkway OAS" - City of Escondido (OAS)	Priscilla Allen	Application submitted in August 2021 by landowner petition and involves an outside-of-agency service agreement for wastewater services to a single-family residence totaling 0.62 acres as a remedy to a failing septic system. The Executive Officer administratively approved the service request on August 20, 2021 and is subject to ratification approval from the Commission set for the October 4, 2021 meeting.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
ACTIVE PROPOSALS | POST COMMISSION ACTION				
18	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)	Linda Heckenkamp	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.
19	RO20-16	"Sringeri Vidya Bharati Foundation Temple Reorganization" - Rincon Del Diablo Water District (Annexation)	Linda Heckenkamp	Application submitted August 2020 by resolution and involves annexation to the City of San Marcos and Vallecitos Water District of approximately 19.52 acres for water service. The affected territory has proposed development of a temple project. The proposal was approved by the Commission on October 5, 2020 and now pending recordation once all terms are satisfied.
20	RO20-21	"Rancho Corrido RV Park Reorganization" - Yuima Municipal Water District (Annexation) - San Diego County Water Authority (Annexation) - Metropolitan Water District (Annexation)	Linda Heckenkamp	Application submitted in September 2020 by resolution of the Yuima Municipal Water District and involves annexation of approximately 31.0 acres for water service. The affected territory is developed with 20 mobile homes, 80 time-limited recreational vehicle (RV) spaces, and 20 RV spaces with 90-day time limits. The property includes an office, laundry, and swimming facilities. No new development is anticipated. The proposal was approved by the Commission on April 5, 2021 and now pending recordation once all terms are satisfied.
21	CO20-20 OAS20-20	"Estrada – Viejas View Place Change of Organization" - San Diego County Sanitation District (Annexation)	Linda Heckenkamp	Application submitted in September 2020 by landowner petition and involves annexation of approximately 1.0 acres for wastewater service. The affected territory is developed with a single-family residence experiencing a failing septic. OAS was ratified by the commission on the February 1st agenda. The proposal was approved by the Commission on May 3, 2021 and now pending recordation once all terms are satisfied.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
	PENDING PROPOSAL APPLICATION SUBMITTALS (No project manager; inquiries should be directed to Keene Simonds)			
22	Pending	"Harvest Hills Reorganization" - City of Escondido		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 of 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."
23	Pending	"Rancho Lomas Verde Reorganization" - City of Vista		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.
24	Pending	"Sager Ranch Reorganization" - City of Escondido		This anticipated reorganization involves annexation of approximate 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 lies outside the current City 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.
25	Pending	Harmony Grove Village South (TM-626)		This anticipated reorganization involves the unincorporated Harmony Grove Village South project and specific to accommodating sewer services (among a variety of options) for the planned development of approximately 111 acres to include 453 residential units. On January 27, 2020 the San Diego Superior Court overturned the County's development approvals for the project. Appeals are pending with no update as of this report.

	File Number	Proposal Name | Affected Agencies	Project Manager	Proposal Summary
26	Pending	"CSA 69 Dissolution" - CSA 69 (Dissolution) - CSA 69 (Sphere Dissolution) - City of Santee - Lakeside Fire Protection District	Priscilla Allen	Pending application to be submitted by resolution of the County of San Diego seeking approval for dissolution of CSA 69 and its sphere consisting of 62.87 square miles – or 40,237 acres – in the communities of Pepper Drive, Bostonia and Lakeside. This proposal is pending formal submission of the application to proceed with staff's analysis.

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AGENDA REPORT
Public Hearing

October 4, 2021

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Priscilla Allen, Analyst I

SUBJECT: **Final Report and Related Actions | Municipal Service Review on the Ramona Region**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a final report prepared as part of the scheduled municipal service review on the Ramona region. The report returns from its draft presentation in August 2021 and subsequent public review with limited revisions in its baseline task to independently evaluate public services in the region with specific attention on the Ramona Municipal Water District (MWD). All key conclusions and recommendations included in the earlier draft remain a part of the final report. Staff recommends the Commission formally accept the final report as well as adopt a resolution making specific determinations as part of the municipal service review directive.

BACKGROUND

State Directive

State law directs San Diego LAFCO to regularly prepare municipal service reviews in conjunction with updating each local agency's sphere of influence. The legislative intent of the municipal service review and its five-year cycle requirement is to proactively inform the Commission regarding the availability and sufficiency of governmental services relative to current and future community needs. Municipal service reviews statutorily inform required

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San Diego, California 92103
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Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David A. Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

sphere of influence updates and may also lead the Commission to take other actions under its authority, such as forming, consolidating, or dissolving one or more special districts. These documents also serve as an opportunity for the Commission to telegraph and encourage community discussion and/or action on future jurisdictional changes.

San Diego LAFCO's Adopted Workplan | Municipal Service Review on the Ramona Region

San Diego LAFCO's 2020-2021 workplan was adopted at a noticed hearing in May 2020 and outlines specific project goals for the fiscal year. This includes preparing a municipal service review on the Ramona region with specific focus on the Ramona MWD as the primary local government unit under direct LAFCO oversight. This project was administratively extended into 2021-2022 by the Executive Officer consistent with a request from Ramona MWD.

Draft Report and Subsequent Public Review

Staff presented a draft municipal service review on the Ramona region for discussion and feedback at San Diego LAFCO's meeting on August 2, 2021. The presentation included an overview by staff on the draft's key conclusions and recommendations and immediately preceded the initiation of a 45-day public review and comment period through September 27th. Notice of the public review was provided to the Ramona Municipal Water District and other interested parties. The notice was also published in the local newspaper and posted on the LAFCO website.[1] Staff also make presentations on the draft report to the Ramona Planning Group, Special Districts Advisory Committee, and Ramona MWD Board.

Several verbal comments were received during the public review period. However, and as of date of this item (September 27th), only one written comment has been received. This comment is from community member Barbara Green and included as an appendix to the final report. Additional comments received before October 4th will also be added to the appendix.

DISCUSSION

This item is for San Diego LAFCO to complete its scheduled municipal service review on the Ramona region. This includes accepting a final report prepared by staff and highlighted by an Executive Summary outlining key conclusions and recommendations. This also includes adopting a resolution memorializing the municipal service review and approving an abbreviated version of the written determinations included in the final report and addressing all the factors required for Commission consideration under statute.

[1] Notice of the public review and August 2nd hearing was published in the following newspaper: Ramona Sentinel.

ANALYSIS

The final municipal service review on the Ramona region before San Diego LAFCO remains substantively intact relative to the Commission's initial viewing in August with revisions limited to technical corrections or additional context provided by Ramona MWD. All key conclusions and recommendations remain intact and are highlighted in Attachment One.

RECOMMENDATION

It is recommended San Diego LAFCO accept the final report on the municipal service review on the Ramona region and adopt a resolution approving the associated determinations. This recommendation is consistent with Alternative One as outlined in the succeeding section.

ALTERNATIVES FOR ACTION

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

Alternative One (recommended):

a) Accept the attached final report representing the scheduled municipal service review on the Ramona Region.

b) Adopt the attached resolution making the requisite determinations as required under statute as part of the municipal service review on the Ramona region.

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

PROCEDURES

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) Receive verbal presentation from staff unless waived.
2) Open the hearing and invite comments.
3) Discuss item and consider the staff recommendations.

On behalf of the Executive Officer,



Priscilla Allen
Analyst I

Attachments:

1) Report Brochure
2) Draft Resolution Making Determinations
3) Final Municipal Service Review Report

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Municipal Service Review

RAMONA REGION

FINAL

REPORT SUMMARY | October 2021

Central Themes and Conclusions

The Ramona region represents one of the largest and growing unincorporated communities in San Diego County with a current estimated population of 37,708 – an amount that exceeds 5 of the 18 cities. The region's status as a prominent unincorporated area dates to the 1840s and the arrival of community patriarchs Joaquin Ortega and Adolpho Stokes and the subsequent establishment of a stagecoach stop and adjoining general store to accommodate travelers going to and from the goldmines to the east in Julian. The region began transitioning to a stand-alone destination at the turn of the century and marked by outside investments and ensuing subdivisions recorded by the Santa Maria Land and Water Company. This transition was headlined by the official naming of the community as "Ramona" with the permanent population reaching approximately 1,000 by 1900 – which at the time made Ramona the largest unincorporated area in all of San Diego County.

The County of San Diego remained the lone source of local government for the Ramona region through the start of the new century until the formation of the Ramona Irrigation District (1925) and its construction of the first community water system. Markedly, the formation of the Ramona Irrigation District paralleled initial community discussions on incorporation and subsequently supplemented by additional special district formations to expand the scope of local government in the region to include the Ramona Fire Protection District (1946), Ramona Sanitation District (1946), Ramona MWD (1958), and Mt. Woodson Ranch Sanitation District (1988). Ramona MWD's proved most consequential, and through a combination of latent power activations and consolidations it has emerged as the singular provider of potable water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region.



Beautiful Lake Ramona in San Diego

Today the Ramona region serves as a unique community separator in San Diego County with urban uses to the west and non-urban uses to the east. Ramona itself remains largely rural with the notable exception of the central "village" area located along Main Street, which increasingly includes several financial, retail, and restaurant franchises and serves as the region's social and economic hub.

A review of the Ramona region relative to San Diego LAFCO's growth management tasks and interests as prescribed under statute produces eight central themes or conclusions. These conclusions focus – albeit not exclusively – on the availability, need, and adequacy of municipal services by Ramona MWD as the central service provider in the region. The conclusions are independently drawn and largely sourced to information collected and analyzed by the Commission between 2015 and 2019 and further detailed in the agency profile (Chapter Three).

Ramona MWD has emerged as the central municipal service provider in the region and its core activities – specifically water, wastewater, fire protection – and adequacies therein are essential in supporting current and future growth.

1 Evolving Community Character

Ramona's community character continues to evolve and most notably towards a more traditional suburb setting with urban-type landscapes. This transition is reflected in the relatively high population growth rate in the region over the report period at 1.1% annually, which is more than one-fifth above the countywide average. The population is also increasingly more affluent than past generations with the average median household income equaling $92,543 at the end of the five-year report. This median income is more than two-fifths above the corresponding rate for all of San Diego County and – and among other factors – aided by the 17% increase in four-year college graduates over the 60-month period.



2 Expanded and Centralized Role of Ramona MWD

Ramona's evolving community character towards more traditional suburban uses has relatedly generated additional demands and expectations on local government in the region. Ramona MWD has affirmatively responded to these changes over its 60-year plus history and through a combination of consolidations and latent power expansions evolved into a multi-purpose agency and now the centralized provider of water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region. Further expansions – however and irrespective of any merit – is limited under the principal act.

3 Adequate Service Capacities at MWD with One Notable Exception

As the principal municipal service provider in the region, Ramona MWD has developed adequate infrastructure capacities and related administrative controls to meet current and projected demands in the timeframe of this report with one exception. This exception involves meeting wastewater demands within the Santa Maria service area, which covers central Ramona and now regularly exceeds permitted capacities during high-rain periods due to excessive inflow (surface) and/or infiltration (groundwater) intrusion.

4 Need for Capital Improvement Investments within MWD

Notwithstanding the overall adequacy of current municipal service capacities, Ramona MWD would benefit from additional investment into its capital assets with specific focus on remedying the increasing and varying pipeline ages involving both its water and wastewater systems. Capital planning and investment in parks and recreation is also merited to help advise its contract provider (Ramona Parks and Recreation Association) and includes addressing improvements to the Wellfield Park and its Community Center and Rodeo Arena.

5 MWD's Positive Financial Standing

Ramona MWD improved its financial standing during the report period as measured by its audited net position with an overall 12% increase from $86 to $105 million. This improvement largely ties to Ramona MWD achieving an average annual bottom line – or total margin – and contributes to an ending unrestricted fund balance sufficient to meet 18 months of operating expenses. Ramona MWD also finished the period with a relatively well-funded employee pension program with a composite funded ratio of 80 percent.

6 Advancing Regional Fire Protection Services

Existing fire protection and emergency medical service in the Ramona region are equally divided between two special districts: Ramona MWD and San Diego County FPD. Both special districts choose to contract with CALFIRE for day-to-day field operations. This common arrangement – notably – suggest consolidating fire protection responsibilities under the San Diego County FPD's economies of scale would advantageously sync and enhance service levels while providing local control.

7 The Curious Case of Incorporation

There has been reoccurring interest in the Ramona region to incorporate and transition local governance from the County of San Diego Board of Supervisors to a newly established city council. Most recently, incorporation proponents approached LAFCO with pre-application submittals as required under policy in 1982 and 2005 before choosing not to proceed with official filings. It is nonetheless reasonable to assume future interest in incorporation will reemerge within Ramona given it size and local resources – including a combination of both property and sales taxes. Accordingly, it would be beneficial for LAFCO to prepare an informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – Ramona.

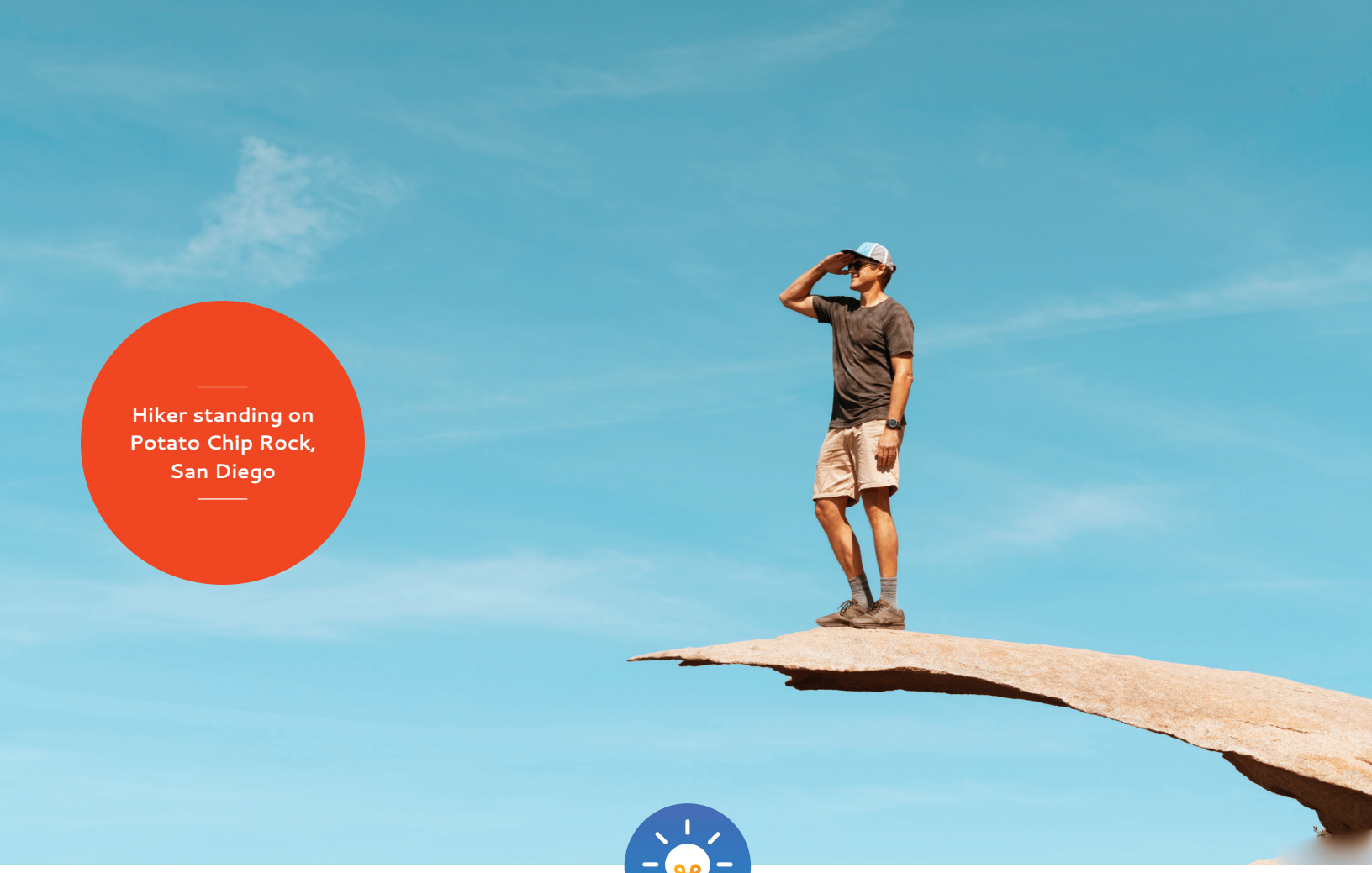
8 The Clearer Case for a Community Services District

Irrespective of the preceding topic on incorporation, the Ramona region has already established itself as an economic and socially distinct community in San Diego County. Ramona MWD has evolved accordingly and expanded its service functions to meet the community's needs and now operating at the authority limits under the MWD principal act. Reorganization into a community services district (CSD) appears meritorious in providing the region with a local governance model that can provide a complete range of municipal services with LAFCO approval with the lone exception of direct land use control. Reorganizing into CSD – markedly – would also serve as the preferred governance step towards a potential transition into an incorporated community.

The Ramona region is one of the largest unincorporated areas in San Diego County with an estimated resident population of 37,708.



A dirt trail leading up to a hilltop lined with boulders at Ramona Grasslands Preserve in San Diego



Hiker standing on Potato Chip Rock, San Diego

Recommendations

The following recommendations call for specific actions either from San Diego LAFCO and/or other local government agencies based on information generated in this report and outlined below in order of their placement in Section 5.0 (Written Determinations). Recommendations for Commission action are dependent on a subsequent directive through the adopted work plan.

1. The Commission should coordinate with SANDAG to identify current buildout estimates relative to existing zoning standards by the County of San Diego for the Ramona region and incorporate the information into the next municipal service review. This should include assessing potential impacts tied to the recent passage of Senate Bill 9 (Weiner) and the allowance for additional lot splitting to accommodate more housing throughout California.
2. The Commission should perform additional analysis with respect to water, wastewater, and fire protection needs for adjacent lands to the Ramona region that qualify as disadvantaged unincorporated communities and incorporate accordingly into future service reviews.
3. Ramona MWD should address excessive inflow and infiltration issues within its Santa Maria wastewater collection system in order to reduce system peaking factor and the elevated threat of raw sewage spills and/or related impacts to the environment.
4. Ramona MWD should develop a facility improvement plan to guide its parks and recreation function and engage constituents in doing so in setting long-term service goals and amenities.
5. The Commission should defer its statutory task to address service levels and related needs of the lone mutual water company in the Ramona region – Rancho Santa Teresa – to a scheduled information report as part of the 2021-2022 workplan.



Main Street in Ramona, California

6. Ramona MWD should revisit and realign its water service operating costs and user rates to remedy a sizeable structural deficit of nearly nine-fold during the five-year report period.

7. Ramona MWD should expand its existing community outreach efforts by establishing social media uses and live-streaming meetings to affirmatively add to existing efforts in spotlighting its activities and further facilitate opportunities for community input.

8. Ramona MWD should consider the following actions with respect to improving current fire protection and emergency medical services:

   - Ramona MWD should consider adopting response time standards with desired time dependent benchmarks and making these parts of the contract language with CAL FIRE.
   - Ramona MWD should develop a vegetation management plan to mitigate the wildfire risk to the community. Similarly, a comprehensive review of community disaster risk should be completed and submitted to the County Office of Emergency Services for review and inclusion in the County's Multi-Jurisdictional Hazard Mitigation Plan.

9. Ramona MWD and San Diego County FPD should consider a voluntary consolidation under the FPD's greater economies of scale to sync and enhance service levels for the common benefit of the Ramona region and need to vigilantly protect against wildfires.

10. The Commission should address and reconcile Ramona MWD's recycled water service activity as part of a future update to Rule No. 4 with respect to formally identifying the function, class, and authorized location under statute.

11. The Commission should prepare a future informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – the Ramona region as the one of the largest unincorporated communities.

12. Reorganization of Ramona MWD into a community services district merits exploration in providing the Ramona region a local governance model that can continue to evolve with the community needs and – pertinently – serves as the preferred transitional vehicle to a potential future incorporation should circumstances warrant.

13. There appears to be sufficient merit to immediately proceed with a limited update and expansion to Ramona MWD's sphere of influence and add approximately 30 unincorporated acres lying immediately outside the current designation along Dos Picos Park Road.

14. Additional amendments to the Ramona MWD sphere of influence may also be warranted subject to a more comprehensive update as part of the next scheduled study.

RESOLUTION NO.___

RESOLUTION OF THE
SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS

MUNICIPAL SERVICE REVIEW ON THE RAMONA REGION

WHEREAS, the San Diego County Local Agency Formation Commission, hereinafter referred to as the "Commission", is a political subdivision of the State of California with regulatory and planning responsibilities to facilitate orderly municipal growth and development under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Commission is responsible under Government Code Section 56430 to regularly prepare municipal service reviews to independently and comprehensively evaluate the sufficiency of local governmental services to inform its regulatory and other planning activities; and

WHEREAS, the Commission adopted a workplan calendaring projects for 2020-2021; and

WHEREAS, the Commission's Executive Officer and staff prepared a region-specific municipal service review on the Ramona area consistent with statute and the adopted workplan; and

WHEREAS, the Executive Officer's written report on the municipal service review was presented to the Commission in a manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at public meetings involving the municipal service review on August 2, 2021 and October 4, 2021;

WHEREAS, as part of the municipal service review, the Commission is required pursuant to Government Code Section 56430(a) to make a statement of written determinations with regards to certain factors.

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

1. The Commission determines this municipal service review is a project under the California Environmental Quality Act but qualifies for an exemption from further action as an informational document consistent with State Guidelines Section 15306.

2. The Commission has duly considered the Executive Officer's written report on the municipal service review and recommendations therein on the availability, need, and sufficiency of public services provided within the Ramona region relative to community needs.

3. The Commission adopts the statement of written determinations generated from information presented in the Executive Officer's written report on the municipal service review as set forth in Exhibit "A."

4. The Commission refers the public to the Executive Officer's written report on the municipal service review for additional details and important context.

PASSED AND ADOPTED by the Commission on October 4, 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

ATTEST:

_____
Keene Simonds
Executive Officer

EXHIBIT A

MUNICIPAL SERVICE REVIEW ON THE RAMONA REGION

STATEMENT OF DETERMINATIONS
GOVERNMENT CODE SECTION 56430

The following statements have been generated from the final report prepared as part of the scheduled municipal service review on the Ramona region and specific attention to the principal local agency – Ramona Municipal Water District. Abbreviations and/or acronyms, accordingly, are incorporated into the statements below for brevity.

1. With respect to growth and population projections for the affected area as required under Section 56430(a)(1), the Commission independently determines the following.

   a) San Diego LAFCO estimates there are 37,708 total residents within the Ramona region at the end of the five-year report period. It is also estimated the average annual population growth rate in the region during the period has been 0.63%.

   b) San Diego LAFCO estimates 94% – or 35,369 – of the total residents in the Ramona region are in the Ramona MWD jurisdictional boundary at the end of the five-year report period. The average annual population growth rate in MWD during the period is estimated at 1.1%.

   c) The estimated population growth rate in Ramona MWD is more than one-fourth higher than the corresponding rate for all of San Diego County during the five-year report period and substantiates the relative growth orientation of the region's urban core.

   d) A notable paradox underlying the overall population growth in the Ramona region involves student enrollment in the Ramona Unified School District and its own decline of (4%) within its 12 schools during the five-year report period.

   e) Accommodating the estimated population growth within the Ramon region during the five-year report period is largely sourced to the construction of 289 of new housing units. Of this amount, 270 new housing units – or 93% – lie in the Ramona MWD jurisdictional boundary and reflects the integral connection of MWD in accommodating new development.

   f) Growth will continue in the Ramona region. Most of the growth will lie in the Ramona MWD and the 1,723 parcels spanning 11,100 acres – which equals one-third of the current boundary – that are privately owned and undeveloped at of the end of the five-year report period.

   g) San Diego LAFCO projects the recent growth rates within the Ramona region will generally hold during the report timeframe. Assuming these projections hold, the Ramona region will reach 38,906 by 2024 with 36,488 in the Ramona MWD jurisdictional boundary. This latter amount equates to the addition of 224 residents each year to MWD.

h) San Diego LAFCO should coordinate with SANDAG to develop current buildout estimates relative to existing zoning specific to the Ramona MWD jurisdictional boundary and incorporate the information into the next municipal service review. This includes addressing the added by-right allowances established by the recent passage of Senate Bill 9.

2. With respect to the location and characteristics of disadvantaged unincorporated communities within the affected areas as required under Section 56430(a)(2), the Commission independently determines the following.

   a) Approximately one-tenth of the Ramona region qualifies as a disadvantaged unincorporated community under San Diego LAFCO policy. One-quarter of the qualifying lands concurrently lie within the Ramona MWD and accordingly receive – or at least eligible to receive – public water, wastewater, and fire protection services.

   b) Land immediately to the north of the Ramona region qualifies as a disadvantaged unincorporated community under San Diego LAFCO policy. Additional analysis is needed to determine the percentage of these qualifying lands that concurrently lie within public water, wastewater, and fire protection service providers.

3. With respect to the capacity of public facilities and infrastructure needs and deficiencies within the affected areas as required under Section 56430(a)(3), the Commission independently determines the following.

   a) The County of San Diego and Ramona MWD serve as the principal municipal service providers within the Ramona region. This municipal service review appropriately focuses on Ramona MWD and its five active municipal service functions: potable water; wastewater; fire protection and emergency medical; parks and recreation; and recycled water.

   b) San Diego LAFCO determines the five active service functions provided by Ramona MWD and identified in the preceding statement have adequate infrastructure capacities in meeting current and near-term demands with limited exceptions as detailed.

   c) With respect to potable water services provided by Ramona MWD:

      i. Ramona MWD's potable water function commenced in 1956 in conjunction with its formation and classified as retail under LAFCO statute and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.

      ii. Ramona MWD's potable water service area presently covers approximately 60% of its jurisdictional boundary. San Diego LAFCO estimates the population in the water service area at the end of the five-year report period at 25,120 and equals 71% of the entire District population. The unserved portion of the jurisdictional boundary is largely undeveloped.

iii. Ramona MWD is entirely dependent on potable water supplies imported from the San Diego County Water Authority. The estimated maximum available daily supply based on MWD's existing infrastructure and related connectivity to the County Water Authority is 63.5 acre-feet and translates to an annual capacity of 23,178 acre-feet.

iv. Average day demands within Ramona MWD's potable water service area have equaled 10.5 acre-feet during the five-year report period with an overall change of (6%). This average demand equals 17% of MWD's accessible daily supplies and sufficient to meet current and anticipated demands through the report timeframe under normal conditions.

v. Peak-day demands within Ramona MWD's potable water service area have averaged 15.6 acre-feet during the five-year report period with an overall change of 1%. This average demand equals 25% of MWD's accessible daily supplies and sufficient to meet current and anticipated demands through the report timeframe under normal conditions.

vi. Estimated per capita daily uses within Ramona MWD's potable water service area has decreased by (10%) over the five-year report period from 142 gallons to 127 gallons. This overall decrease in per capita day demands coupled with the corresponding increase in population growth substantiates improved conservation among end-users.

vii. Additional analysis would be needed to assess whether the portion of daily uses within Ramona MWD is dedicated to indoor use and the relationship therein in meeting the State of California's advisory target to limit per capita usage to 55 gallons under new legislation (Assembly Bill 1668 and Senate Bill 606).

viii. Total storage within Ramona MWD's potable water service area is 78 acre-feet and can accommodate up to seven consecutive days of average day demands generated during the five-year report period without recharge. The number of storage days decreases to five relative to accommodating average peak day demands.

d) With respect to wastewater services provided by Ramona MWD:

i. Ramona MWD's wastewater function commenced in 1981 as successor agency to the Ramona Sanitation District. This active service function is classified as collection, treatment, and disposal under LAFCO statue and Commission Rule No. 4.

ii. Ramona MWD's wastewater function is geographically limited by the Commission to two distinct service areas – Santa Maria and San Vicente – and they collectively equal 24% of the jurisdictional boundary.

iii. Additional analysis would be needed in coordination with the County of San Diego Environmental Health Department to identify active septic systems in Ramona MWD.

iv. The total wastewater service population for Ramona MWD at the end of the five-year report period is estimated by San Diego LAFCO at 25,108. This estimate represents 71% of the total estimated MWD population and divided between the Santa Maria and San Vicente service areas at 15,644 and 9,464, respectively.

v. Specific to the Santa Maria system, it is presently operating at 60% permitted capacity under normal conditions based on average day demands during the five-year report period. Capacity usage increases to 155% during peak wet periods and shows excessive inflow and infiltration is entering the collection system.

vi. Specific to the San Vicente system, it is presently operating at 61% permitted capacity under normal conditions based on average day demands during the five-year report period. Capacity usage increases to 95% during peak wet periods and suggest excessive inflow and infiltration is entering the collection system.

vii. Capital improvements are needed to both Ramona MWD's wastewater systems to expand the daily treatment capacities with corresponding permit allowances to avoid untreated sewage overflows and/or spills during peak wet periods given current capacity deficiencies.

e) With respect to fire protection and emergency medical services provided by Ramona MWD:

i. Ramona MWD's integrated fire protection and emergency medical service function commenced in 1981 as successor agency to Ramona FPD and classified as structural and basic life support under LAFCO statute and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.

ii. Ramona MWD's fire protection and emergency medical services are provided through a cooperative contract with CALFIRE and delivered out of three MWD fire stations with total public safety staffing at 33 at the end of the five-year report period. This latter amount represents 0.9 public safety personnel for every 1,000 residents in MWD.

iii. Average annual demands for fire protection and emergency medical services by Ramona MWD – both inside and outside the jurisdictional boundary – have increased in four of the five years in the report period with an overall change of 10% and attributed to an increase in population as well as commute traffic along State Route 67.

iv. The average demand for onsite fire protection and emergency medical service within Ramona FPD during the five-year period has been 2,570 annually or 7 per day.

v. Ramona MWD responded on average – exclusively or in combination with outside agencies – to 95% of all onsite incidents involving fire protection and emergency medical in its jurisdictional boundary over the five-year report period.

vi. Ramona MWD has a low dependency on outside agencies to cover fire protection and emergency medical needs with an average of only 10 out of 100 onsite incidents in the jurisdictional boundary necessitating outside aid during the five-year report period.

vii. Approximately 70% of all onsite incidents in the Ramona MWD during the five-year report period resulted in ambulance transport to an area hospital. The number of ambulance transports increased by approximately 10% over the 60-month period and tied to an increase in population within the region.

f) With respect to parks and recreation services provided by Ramona MWD:

i. Ramona MWD's parks and recreation function commenced in 1975 as part of a latent power approval and classified as community parks and rental facilities under LAFCO statue and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.

ii. Ramona MWD's parks and recreation function has been outsourced since 1994 to the Ramona Parks and Recreation Association (501(c)(3)). Ramona MWD – nonetheless – retains legal responsibility for all related public parks and recreation services.

iii. Ramona MWD's current community park resources comprise Wellfield Park and Lake Ramona and collectively generate a ratio of 4.7 park acres for every 1,000 residents. This amount exceeds by more than one-half the baseline ratio of 3.0 park acres for every 1,000 residents established by the State under the Quimby Act.

iv. Infrastructure and facility improvements are budgeted as needed; Ramona MWD has not established a formal capital improvement program. The absence of this type of document hinders the District and its contractor's ability to strategically plan and allocate resources while diminishing the opportunity to engage constituents on long-term service goals.

g) With respect to recycled water services provided by Ramona MWD:

i. Ramona MWD's recycled water function formally commenced in 1987 at the San Vicente Wastewater Reclamation Facility and in 1999 at the Santa Maria Wastewater Reclamation Facility. Their recycled water function currently involves retailing to San Vicente Golf Course and Mt. Woodson Golf Course.

ii. San Diego LAFCO should address Ramona MWD's recycled water service function under Government Code Section 56425(i) as part of a future policy update to Commission Rule No. 4 with respect to formally identifying the function, class, and authorized location as deemed appropriate by the Commission.

h) The Commission has identified one mutual water company – Rancho Santa Teresa – operating within the Ramona region. Consistent with LAFCO statute, the Commission defers evaluation of this mutual water company to a future informational report.

i) An evaluation of fire protection and emergency medical services within the Ramona region provided by the San Diego County FPD is appropriately addressed in the Commission's recent municipal service review on County Service Area No. 135 (June 2020) and incorporated herein.

4. With respect to the financial ability of agencies to provide services within the affected areas as required under Section 56430(a)(4), the Commission independently determines the following.

   a) Ramona MWD improved its financial standing during the five-year report period as measured by its audited net position (i.e. agency value) increasing by 12% from $86.9 to $105.1 million.

   b) The unrestricted and spendable portion of Ramona MWD's fund balance at the end of the five-year report period is sufficient to cover 18 months of typical operating expenses. This amount is three times more than the District's target of having six months in reserves.

   c) Ramona MWD's operating budget is divided into four funds – Water, Fire & Emergency Medical Service, Wastewater, and Parks – and collectively increased by 12.8% in budgeted expenses during the five-year report period. This amount is more than double the corresponding 6.5% increase in budgeted revenues and merits revisiting in the next scheduled municipal service review to assess whether the imbalance is structural or temporary.

   d) Standard measurements to assess liquidity, capital, margin, and equipment replacement levels shows Ramona MWD experienced mix trends during the five-year report period but nonetheless finished at or above industry standards. With this context in mind, the following statements apply.

      i. Liquidity levels as measured by days' cash available to Ramona MWD improved during the five-year report period by one-fifth from 522 to 609 days with the latter amount providing 87 weeks of accessible cash to cover normal operating costs.

      ii. Capital levels as measured by Ramona MWD's debt-to-net position modestly improved during the five-year report period from 19% to 16% with the latter amount reflecting less than one-fifth of the District's overall value (net position) is tied to outside borrowing.

      iii. The total margin for Ramona MWD decreased overall during the five-year report period but remained positive each year with an overall average 11%. This latter amount contrasts with the District's average operating margin of (10%) and denotes a substantive reliance on property taxes to subsidize District activities.

      iv. The replacement rate of capital infrastructure moderately decreased by one-tenth during the five-year report period from 23 to 25 years.

   e) Ramona MWD's employee pension program at the end of the five-year report period finished with a composite funded ratio of 81% and considered good relative to industry standards.

   f) With respect to financial standing for specific service functions:

      i. Ramona MWD's potable water services operate as an enterprise and intended to be self-supporting through user fees and related charges. Actual expenses during the five-year report period have increased by 17% while actual revenues have increased by 2% and produces nearly a nine-fold structural deficit. This imbalance suggests changes to rates and/or operating expenses are needed to ensure an appropriate level of cost-recovery.

ii. Ramona MWD's wastewater services operate as an enterprise and intended to be self-supporting through user fees and related charges. Actual expenses during the five-year report period for the Santa Maria and San Vicente systems increased by 9% and 7% while revenues increased by 76% and 29%, respectively.

iii. The three other service functions provided by Ramona MWD – fire protection and emergency medical, parks and recreation, and recycled water – operate as hybrids and dependent on both general property tax revenues and user fees/assessments. With respect to notable trends therein, the District has become increasingly reliant on property taxes and most notably saw an increase of 19.7% allocated to fire protection and EMS and has averaged 32.2% during the reporting period.

5. With respect to the status and opportunities therein for shared services within the affected areas as required under Section 56430(a)(5), the Commission independently determines the following.

   a) Ramona MWD has been proactive in establishing responsive shared resources with other local governmental, non-profits, and tribes involving its active service functions for the collective benefits of MWD constituents. Examples follow.

   b) Ramona MWD has established infrastructure interties with the City of Poway to receive and provide treated potable water supplies to one another in the event of emergencies and/or other interruptions in normal operations.

   c) Ramona MWD has two surface storage reservoirs available for use, Lake Ramona and Lake Sutherland with the latter owned by the City of San Diego.

   d) Ramona MWD maintains automatic aid agreements with several adjacent providers – including City of Poway and Barona Fire Department – to receive and provide fire protection/rescue and emergency medical services within their respective boundaries based on dispatch proximity.

   e) Ramona MWD coordinates closely with the Ramona Unified School District to provide parks and recreational activities ranging from after school programs to sporting events.

6. With respect to accountability and opportunities and merits therein for governance alternatives as required under Section 56430(a)(6), the Commission independently determines the following.

   a) Ramona MWD has been responsive to community needs since formation and through a combination of consolidations and latent power expansions is now the centralized provider of water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the Ramona region.

   b) Additional service function expansions by Ramona MWD is limited under the current principal act to storm drainage, solid waste collection, and electricity and subject to formal review and approval by the Commission.

c) Ramona MWD's position as the only public agency entirely governed by elected residents uniquely positions MWD to legitimately address and/or represent community interests with other local, regional, and State agencies on a range of municipal-themed topics underlying growth and development in the Ramona region.

d) Ramona MWD has been governed by responsive officials during the five-year report period and illustrated by holding regular monthly meetings, timely posting agendas and minutes online, and employing and/or otherwise contracting professional staff. These measurable actions create trust with constituents and help ensure their ongoing financial investment via property taxes, special assessments, and user charges are warranted.

e) Ramona MWD maintains a user-friendly website that meets all requirements recently established for local government agencies (Assembly Bill 2257 and Senate Bill 939).

f) Ramona MWD should expand its existing community outreach efforts by utilizing social media and providing live streaming of meetings. These efforts would affirmatively add to existing efforts by MWD in spotlighting its activities and further facilitate opportunities for community input into the Board decision-making.

g) Existing fire protection and emergency medical service in the Ramona region are closely divided between Ramona MWD and San Diego County FPD with both agencies contracting with CALFIRE for day-to-day field operations. These dynamics suggest consolidating fire protection responsibilities under the San Diego County FPD's greater economies of scale would advantageously sync and enhance service levels and should be fully explored.

h) It is reasonable to assume interest in incorporation will resurface in the Ramona region given past inquiries coupled with its standing as one of the largest unincorporated communities with increasing property and sale tax bases. Accordingly, and to help apprise future decision-making, it would be beneficial for the Commission to prepare an informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – Ramona.

i) Ramona MWD has evolved and expanded its service functions to meet the community's needs and as detailed now substantively operating at the authority limits under the MWD principal act. Reorganization into a community services district merits exploration in providing the region with a local governance model that can continue to evolve with the community needs and – pertinently – serves as the preferred transitional vehicle to a potential future incorporation.

j) There appears to be sufficient merit to immediately proceed with a limited update and expansion to Ramona MWD's sphere of influence. This includes adding approximately 30 unincorporated acres lying immediately outside and in between Ramona MWD and City of Poway's spheres but accessible only through MWD along Dos Picos Park Road.

k) Additional amendments to the Ramona MWD sphere of influence may also be warranted subject to a more comprehensive update as part of the next scheduled study.

l) Other local agencies providing one or more municipal services directly in the Ramona region include Palomar Healthcare District and Ramona Cemetery District and will be addressed by San Diego LAFCO as part of future municipal service reviews.

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SAN DIEGO COUNTY
LOCAL AGENCY FORMATION COMMISSION



RAMONA REGION

Municipal Service Review | Government Code 56430

Affected Agencies
Ramona Municipal Water District

Final Report | October 2021

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TABLE OF CONTENTS

CHAPTER ONE | INTRODUCTION

1.0 Local Agency Formation Commissions (LAFCO)
- 1.1 Authority and Objectives 3
- 1.2 Regulatory Responsibilities 4
- 1.3 Planning Responsibilities 4
- 1.4 LAFCO Decision-Making 7
- 1.5 Prescriptive Funding 7

2.0 San Diego LAFCO
- 2.1 Adopted Policies and Procedures 8
- 2.2 Commission Information 8
- 2.3 Contact Information 9

CHAPTER TWO | EXECUTIVE SUMMARY

1.0 Overview
- 1.1 Key Premises, Assumptions, and Benchmarks 11

2.0 Study Organization 14

3.0 Geographic Area & Affected Agencies 14

4.0 Report Summary
- 4.1 General Themes and Conclusions 15
- 4.2 Recommendations 18

5.0 Written Determinations
- 5.1 Growth Projections & Related Demographics 20
- 5.2 Location and Characteristics of Any Disadvantaged Unincorporated Communities 22
- 5.3 Capacity of Public Facilities and Infrastructure Needs and Deficiencies 22
- 5.4 Agencies' Financial Ability to Provide Services 26
- 5.5 Status and Opportunities for Shared Facilities and Resources 28
- 5.6 Local Accountability and Government Restructure Options 28

CHAPTER THREE | AGENCY PROFILE

RAMONA MUNICIPAL WATER DISTRICT

1.0 Overview 31

2.0 Background
- 2.1 Community Development 32
- 2.2 Formation Proceedings 33
- 2.3 Post Formation Proceedings 33

3.0 Boundaries
- 3.1 Jurisdictional Boundary 35
- 3.2 Sphere of Influence 36
- 3.3 Other Boundaries (Non-LAFCO) 36
- 3.4 Current Boundary and Sphere Map 37

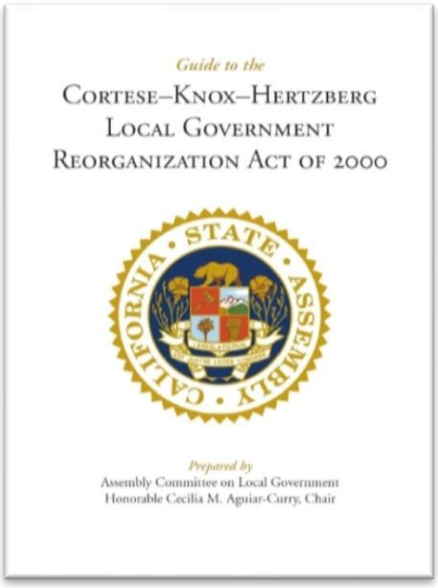
4.0 Demographics
4.1 Population and Housing 38
4.2 Age Distribution 39
4.3 Income Characteristics 40
4.4 Socioeconomic Indicators 40
5.0 Organization
5.1 Governance 41
5.2 Administration 43
6.0 Municipal Service Functions
6.1 Potable Water 44
6.2 Wastewater 48
6.3 Fire Protection and Emergency Medical Services 54
6.4 Parks and Recreation 61
6.5 Recycled Water 63
7.0 Finances
7.1 Budget Information 64
7.2 Financial Statements 65
7.3 Measurements | Liquidity, Capital, and Margin 67
7.4 Pension Obligations 68

Appendix A Disadvantaged Unincorporated Communities (DUC) Maps 72
Appendix B Sources 74
Appendix C Written Comments Received on the Draft Report 77

CHAPTER ONE | INTRODUCTION

1.0 LOCAL AGENCY FORMATION COMMISSIONS

1.1 Authority and Objectives



Local Agency Formation Commissions (LAFCOs) were established in 1963 and are political subdivisions of the State of California responsible for providing regional growth management services in all 58 counties. LAFCOs' authority is currently codified under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") with principal oversight provided by the Assembly Committee on Local Government.[1] LAFCOs are comprised of locally elected and appointed officials with regulatory and planning powers delegated by the Legislature to coordinate and oversee the establishment, expansion, and organization of cities, towns, and special districts as well as their municipal service areas. LAFCOs' creation were engendered by Governor Edmund "Pat" Brown Sr. (1959-1967) to more effectively address the needs of California's growing and diversifying population with an emphasis on promoting governmental efficiencies. Towards this end, LAFCOs are referred to as the Legislature's "watchdog" for local governance issues.[2]

Guiding LAFCOs' regulatory and planning powers is to fulfill specific purposes and objectives that collectively construct the Legislature's regional growth management priorities outlined under Government Code (G.C.) Section 56301. This statute reads:

> *"Among the purposes of the commission are discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions. One of the objects of the commission is to make studies and furnish information to contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities."*

1 Reference California Government Code Section 56000 et. seq.
2 In its ruling on City of Ceres v. City of Modesto, the 5th District Court of Appeals referred to LAFCOs as the "watchdog" of the Legislature to "guard against the wasteful duplication of services." (July 1969)

LAFCO decisions are legislative in nature and therefore are not subject to an outside appeal process; only courts can overturn LAFCO decisions. LAFCOs also have broad powers in conditioning regulatory and planning approvals so long as not establishing any terms directly effecting land use density or intensity, development, or subdivision requirements.

1.2 Regulatory Responsibilities

LAFCOs have been responsible since 1963 to oversee formation, expansion, reorganization, and dissolution actions involving cities, towns, and special districts in California with limited exceptions.

LAFCOs' principal regulatory responsibility involves approving or disapproving all jurisdictional changes involving the establishment, expansion, and reorganization of cities, towns, and most special districts in California.[3] LAFCOs are also tasked with overseeing the approval process for cities, towns, and special districts to provide new or extended services beyond their jurisdictional boundaries by contracts or agreements. LAFCOs also oversee special district actions to either activate new service functions and service classes or divest existing services. LAFCOs generally exercise their regulatory authority in response to applications submitted by affected agencies, landowners, or registered voters. Recent amendments to CKH also authorize and encourage LAFCOs to initiate their own jurisdictional changes to form, consolidate, and dissolve special districts consistent with current and future community needs.

1.3 Planning Responsibilities

LAFCOs are tasked with planning the location of future urban uses through two interrelated activities: (a) establish and update spheres of influence as gatekeepers to future jurisdictional changes and (b) prepare municipal service reviews to independently evaluate public services relative to needs.

LAFCOs inform their regulatory actions through two central planning responsibilities: (a) making sphere of influence ("sphere") determinations and (b) preparing municipal service reviews. Sphere determinations have been a core planning function of LAFCOs since 1971 and serve as the Legislature's version of "urban growth boundaries" with regard to cumulatively delineating the appropriate interface between urban and non-urban uses within each county. Municipal service reviews, in contrast, are a relatively new planning responsibility enacted as part of CKH and intended to inform – among other activities – sphere determinations. The Legislature mandates all sphere changes as of 2001 be accompanied by preceding municipal service reviews to help ensure LAFCOs are effectively aligning governmental services with current and anticipated community needs.

3 CKH defines "special district" to mean any agency of the State formed pursuant to general law or special act for the local performance of governmental or proprietary functions within limited boundaries. All special districts in California are subject to LAFCO with the following exceptions: school districts; community college districts; assessment districts; improvement districts; community facilities districts; and air pollution control districts.

An expanded summary of the function and role of these two planning responsibilities follows.

Spheres of Influence

LAFCOs establish, amend, and update spheres for all cities, towns, and most special districts in California to designate the territory it independently believes represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions. Further, an increasingly important role involving sphere determinations relate to their use by regional councils of governments as planning areas in allocating housing need assignments for counties, cities, and towns.

> Spheres serve as the Legislature's version of urban growth boundaries and – among other items – delineates where cities, towns, or districts may seek future annexations or outside service approvals with LAFCOs. All jurisdictional changes must be consistent with the affected agencies' spheres with limited exceptions.

Starting January 1, 2008, LAFCOs are tasked with reviewing and updating all local agencies' spheres every five years. In making sphere determinations, LAFCOs are required to prepare written statements addressing five specific planning factors listed under G.C. Section 56425. These mandatory factors range from evaluating current and future land uses to the existence of pertinent communities of interest. The intent in preparing the written statements is to orient LAFCOs in addressing the core principles underlying the sensible development of local agencies consistent with the anticipated needs of the affected communities. The five mandated planning factors are summarized in short form below.

1. Present and planned land uses in the area, including agricultural and open space.

2. Present and probable need for public facilities and services in the area.

3. Present capacity of public facilities and adequacy of public services the affected agency provides or is authorized to provide.

4. Existence of any social or economic communities of interest in the area.

5. If the city or special district provides water, sewer, or fire, the need for those services in any disadvantaged unincorporated communities in the existing sphere.

Municipal Service Reviews

Municipal service reviews serve as a centerpiece to CKH's enactment in 2001 and represent comprehensive studies of the level, range, and performance of governmental services provided within defined geographic areas. LAFCOs generally prepare municipal service reviews to explicitly inform subsequent sphere determinations. LAFCOs also prepare municipal service reviews irrespective of making any specific sphere determinations in order to obtain and furnish information to contribute to the overall orderly development of local communities. Municipal service reviews vary in scope and can focus on a particular region, agency, or service. LAFCOs may use the information generated from municipal service reviews to initiate other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies. Advisory guidelines on the preparation of municipal service reviews were published by the Governor's Office of Planning and Research in 2003 and remain the lone statewide document advising LAFCOs in fulfilling this mandate.

All municipal service reviews – regardless of their intended purpose – culminate with LAFCOs preparing written statements addressing seven specific service factors listed under G.C. Section 56430. This includes, most notably, infrastructure needs or deficiencies, growth and population trends, and financial standing. The seven mandated service factors are summarized below in short form with additional details footnoted.[4]

> Municipal service reviews fulfill the Legislature's interests in LAFCOs regularly assessing the adequacy and performance of local governmental services in order to inform possible future actions ranging from sphere determinations to reorganizations.

1. Growth and population projections for the affected area.

2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to affected spheres of influence.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies.

4. Financial ability of the affected agencies to provide services.

5. Status and opportunities for shared facilities.

4 Determination No. 5 was added to the municipal service review process by Senate Bill 244 effective January 1, 2012. The definition of "disadvantaged unincorporated community" is defined under G.C. Section 56330.5 to mean inhabited territory that constitutes all or a portion of an area with an annual median household income that is less than 80 percent of the statewide annual median household income; the latter amount currently totaling $53,735.

6. Accountability for community service needs.

7. Matters relating to effective or efficient service delivery as required by policy.

1.4 LAFCO Decision-Making

LAFCOs are generally governed by 11-member boards comprising three county supervisors, three city councilmembers, three independent special district members, and two representatives of the general public. Some larger LAFCOs – including San Diego – also have additional board seats dedicated to specific cities as a result of special legislation. All members serve four-year terms and are 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. LAFCO members are subject to standard disclosure requirements and must file annual statements of economic interests. All LAFCOs are independent of local government with the majority employing their own staff; an increasingly smaller portion of LAFCOs, however, choose to contract with their local county government or council of government for staff support services. All LAFCOs, nevertheless, must appoint their own Executive Officers to manage agency activities and provide written recommendations on all regulatory and planning actions before the membership. All LAFCOs must also appoint their own legal counsel.

> State law directs all LAFCO members to independently discharge their responsibilities for the good of the region and irrespective of the interests of their appointing authorities.

1.5 Prescriptive Funding

CKH prescribes local agencies fully fund LAFCOs' annual operating costs. Counties are generally responsible for funding one-third of LAFCO's annual operating costs with remainder one-third portions allocated to the cities/towns and independent special districts. The allocations to cities/towns and special districts are calculated based on standard formula using general tax revenues unless an alternative method has been approved by most of the local agencies. The funding proportions will also differ should the LAFCO have additional representation due to special legislation. LAFCOs are also authorized to collect proposal fees to offset local agency contributions.

2.0 SAN DIEGO LAFCO

2.1 Adopted Policies and Procedures

The majority of San Diego LAFCO's ("Commission") existing policies and procedures were initially established in the 1970s and subsequently updated in the 2000s in step with the enactment of CKH. These policies and procedures collectively guide the Commission in implementing LAFCO law in San Diego County in a manner consistent with regional growth management priorities as determined by the membership with sufficient discretion to address local conditions. This includes overarching policies and procedures to align present and planned urban uses with existing cities and special districts. The Commission has also established pertinent policies and procedures specific to preparing sphere updates and municipal service reviews. This includes direction to the Executive Officer to regularly prepare municipal service reviews in appropriate scope and level to inform the Commission in updating spheres in regular five-year intervals (L-109).

2.2 Commission Information

San Diego LAFCO holds regular meetings on the first Monday of each month at the County of San Diego Administration Center located at 1600 Pacific Highway in San Diego, California notwithstanding current COVID protocols. Meetings start at 9:00 A.M and live streamed online. The current Commissioner roster follows.

San Diego LAFCO Membership
Current as of October2021

Commissioner	Appointing Authority	Affiliation
Chair Andy Vanderlaan	Commission	Representative of the Public
Vice Chair Jim Desmond	Board of Supervisors	County of San Diego
Chris Cate	Mayor of the City of San Diego	City of San Diego
Jo MacKenzie	Independent Special Districts	Vista Irrigation District
Paul McNamara	Cities Selection Committee	City of Escondido
Mary Casillas Salas	Cities Selection Committee	City of Chula Vista
Nora Vargas	Board of Supervisors	County of San Diego
Baron "Barry" Willis	Independent Special Districts	Alpine Fire Protection District
Alternate Joel Anderson	Board of Supervisors	County of San Diego
Alternative Kristi Becker	Cities Selection Committee	City of Solana Beach
Alternate David A. Drake	Independent Special Districts	Rincon del Diablo Municipal Water District
Alternate Harry Mathis	Commission	Representative of the Public
Alternate Marni von Wilpert	Mayor of the City of San Diego	City of San Diego

Immediate Past Members in 2020:
Dianne Jacob, Board of Supervisors, County of San Diego
Mark Kersey, Mayor of the City of San Diego, City of San Diego
Bill Wells, Cities Selection Committee, City of El Cajon
Alternate Greg Cox, Board of Supervisors, County of San Diego
Alternate Erin Lump, Independent Special Districts, Rincon Del Diablo Municipal Water District

2.3 Contact Information

San Diego LAFCO's administrative office is located at 2550 Fifth Avenue, Suite 725 in San Diego (Bankers Hill). Regular office hours are 8:30 A.M. to 4:30 P.M. Monday through Friday. We are closed on all State holidays. Visitors will receive up to 1.0-hour free parking validations at 2550 Fifth Avenue (Manchester Financial Centre) using the entrance located on Maple Street between Fifth and Fourth Avenues. Street parking is also available but may be metered by the City of San Diego; please read all signage. Appointments to discuss proposals or other matters are encouraged and can be scheduled by calling 619.321.3380. Communication by e-mail is also welcome and should be directed to lafco@sdcounty.ca.gov. Additional information regarding San Diego LAFCO's programs and activities is also available online by visiting www.sdlafco.org.

Additionally, please follow San Diego LAFCO on social media for the latest news and updates.

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On behalf of the Commission,

Keene Simonds
Executive Officer

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CHAPTER TWO | EXECUTIVE SUMMARY

1.0 OVERVIEW

This report represents San Diego LAFCO's scheduled municipal service review for the Ramona region in east central San Diego County. The report has been prepared by staff consistent with the scope of work approved by the Executive Officer. The underlying aim of the report is to produce an independent assessment of municipal services in the region and specifically the principal service provider – Ramona Municipal Water District (MWD) – over the next five years relative to the Commission's regional growth management duties and responsibilities. Information generated as part of the report will be used by the Commission in (a) guiding subsequent sphere of influence updates, (b) informing future boundary and jurisdictional changes, and – if merited – (c) initiating government reorganizations, such as special district formations, consolidations, and/or dissolutions.

The purpose of the report is to produce an independent "snapshot" of municipal service levels provided in the Ramona region with specific focus on the Ramona MWD. The report serves as an update to the last municipal service review prepared by LAFCO covering the Ramona region completed in June 2013.

1.1 Key Premises, Assumptions, and Benchmarks

The report has been oriented in scope and content to serve as an ongoing monitoring program on municipal services in the Ramona region with attention on performance measurements. It is expected San Diego LAFCO will revisit the report and key assumptions and benchmarks therein approximately every five years consistent with the timetable set by the Legislature and memorialized under local policy. This will allow the Commission – among other tasks – to assess the accuracy of earlier projections and make appropriate changes in approach as needed as part of future reports. Key assumptions and benchmarks affecting scope and content in this report follow.

Defining Scope | Affected Agencies Covered

There are multiple local agencies under the Commission's oversight that provide one or more municipal services in the Ramona region. Ramona MWD is principal among these local agencies, and this includes – among other activities – providing water, wastewater, and fire protection in support of current development. Other notable local agencies that provide one or more municipal services in the region include Palomar

As the primary local service provider in the region, this municipal service review focuses on Ramon MWD.

Healthcare District, Ramona Cemetery District, and the San Diego County Fire Protection District (FPD) with the former two expected to be detailed in future service-specific reports.[5]

Defining Scale | Municipal Services Covered

Consistent with the preceding and focus therein on the Ramona MWD, the report is scaled to address all five active District service functions. These core municipal functions are water, wastewater, integrated fire protection and emergency medical, parks and recreation, and recycled water. Other pertinent municipal services within the region – community planning, roads, street lighting, law enforcement, etc. – are provided by the County of San Diego and not covered in this report.

> This report focuses only on the five active service functions provided in the region by the Ramona MWD: water; wastewater; fire protection and emergency medical; parks and recreation; and recycled water.

Looking Back – Determining the Data Collection Range or Report Period

The period for collecting data to inform the Commission's analysis and related projections on population growth, service demands, and finances has been set to cover the five-year fiscal period from 2015 to 2019 with limited exceptions (i.e., July 1, 2015 through June 30, 2019). This data collection period covers the 60 months immediately preceding the start of work on the document and purposefully aligns with the five-year timeline for the report with the resulting data trends appearing most relevant in making near-term projections; data from the last five years is most pertinent in projecting trends over the next five years.

Looking Forward – Setting the Report's Timeframe

The timeframe for the report has been oriented to cover the next five-year period through 2024 with the former (five years) serving as the analysis anchor as contemplated under State law. This timeframe is consistent with the five-year cycle prescribed for municipal service reviews under G.C. Section 56430 and expected therein to inform all related sphere of influence and boundary actions undertaken during this period involving Ramona MWD as well as other nearby agencies (City of Poway) and/or formation of new agencies unless otherwise merited.

5 The San Diego County FPD covers approximately one-half of the Ramona region as defined. LAFCO recently completed a municipal service review on San Diego County FPD in October 2020. Other special districts in the Ramona region include – but not limited to – the San Diego County Water Authority, Metropolitan Water District of Southern California, and Resource Conservation District of Greater San Diego County.

Calculating Population Estimates and Projections

Past and current residential population estimates in the report draw on data generated by Esri and their own mapping analyses of census tracts. This approach differs from past Commission practice to utilize estimates by the San Diego Association of Governments or SANDAG and done so given – and among other factors – the ability of Esri's mapping software to readily sync current census data with both city and special district boundaries. Projections over the succeeding five-year period are made by LAFCO and apply the estimated growth trend in each service area over the last 60 months with limited exceptions, i.e., population growth over the last five years is generally expected to hold over the next five years unless unique circumstances merit otherwise.

Focusing on Macro-Level Determinations

The report focuses on central service outputs with respect to quantifying availability, demand, and adequacy of municipal services provided in the region and specifically through Ramona MWD. A prominent example involves focusing on annual system-wide demands generated during the five-year report period as opposed to specific subareas or zones. This approach informs macro-level determinations for all mandatory factors under statute. When applicable, the report notes the need for more micro-level analysis as part of addendums or future municipal service reviews.

Benchmarking Infrastructure Needs and Deficiencies

Similar to the preceding factor, the report and its analysis focuses on average system demands – whether water, wastewater, fire protection, etc. – generated in the region during the 60-month study period in benchmarking infrastructure needs or deficiencies. This broader focus on averages provides a more reasonable account of system demands and helps to control against one-year outliers in analyzing overall relationships with capacities.

Benchmarking Fiscal Solvency

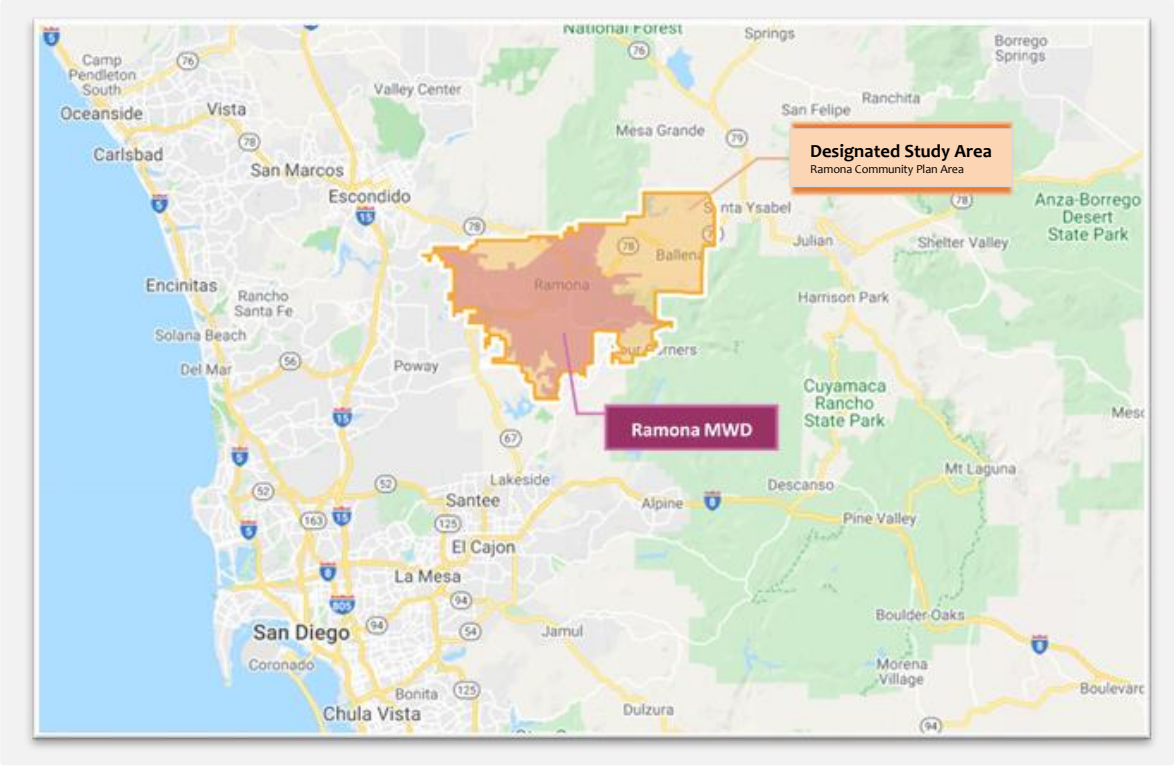
Several diagnostic tools are used to assess and make related determinations regarding financial solvency based on a review of available audited information. This includes an emphasis on analyzing Ramona MWD's current ratio, debt-to-net assets, and total margin. These specific diagnostics provide the Commission with reasonable benchmarks to evaluate liquidity, capital, and margin and calculated to track overall trends and final year standing.

2.0 STUDY ORGANIZATION

This chapter serves as the Executive Summary and outlines the key conclusions, recommendations, and determinations generated as part of the report process.[6] This includes addressing the mandatory service and governance factors required by the Legislature anytime San Diego LAFCO performs a municipal service review. The Executive Summary is followed by an in-depth agency profile (Chapter Three) for Ramona MWD as the principal municipal service provider in the region. The profile transitions between qualitative descriptions of the background and development of Ramona MWD to quantifying specific categories. This includes measuring demographic trends, service levels, and financial standing consistent with the premises outlined in the preceding section.

3.0 GEOGRAPHIC AREA

The geographic area or study area designated for this municipal service review by the Executive Officer is approximately 131 square miles or 84,000 acres. This study area purposefully matches the current Ramona Community Plan Area as established by the County of San Diego and captures the entirety of Ramona MWD jurisdictional boundary and sphere of influence.



6 The Executive Summary purposefully distinguishes between "conclusions," "determinations," and "recommendations." Conclusions refer to general policy takeaways. Determinations address specific legislative factors. Recommendations address specific actions that are drawn from the determinations.

4.0 REPORT SUMMARY

4.1 Central Themes and Conclusions

The Ramona region represents one of the largest and growing unincorporated communities in San Diego County with a current estimated population of 37,708 – an amount that exceeds 5 of the 18 cities. The region's status as a prominent unincorporated area dates to the 1840s and the arrival of community patriarchs Joaquin Ortega and Adolpho Stokes and the subsequent establishment of a stagecoach stop and adjoining general store to accommodate travelers going to and from the goldmines to the east in Julian. The region began transitioning to a stand-alone destination at the turn of the century and marked by outside investments and ensuing subdivisions recorded by the Santa Maria Land and Water Company. This transition was headlined by the official naming of the community as "Ramona" with the permanent population reaching approximately 1,000 by 1900 – which at the time made Ramona the largest unincorporated area in all of San Diego County.

> The Ramona region is one of the largest distinct unincorporated areas in San Diego County with an estimated resident population of 37,708.

The County of San Diego remained the lone source of local government for the Ramona region through the start of the new century until the formation of the Ramona Irrigation District (1925) and its construction of the first community water system. Markedly, the formation of the Ramona Irrigation District paralleled initial community discussions on incorporation and subsequently supplemented by additional special district formations to expand the scope of local government in the region to include the Ramona Fire Protection District (1946), Ramona Sanitation District (1946), Ramona MWD (1956), and Mt. Woodson Ranch Sanitation District (1988). Ramona MWD proved most consequential, and through a combination of latent power activations and consolidations has emerged as the singular provider of potable water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region.

> Ramona MWD has emerged as the central municipal service provider in the region and its core activities – specifically water, wastewater, fire protection – and adequacies therein are essential in supporting current and future growth.

Today the Ramona region serves as a unique community separator in San Diego County with urban uses to the west and non-urban uses to the east. Ramona itself remains largely rural with the notable exception of the central "village" area located along Main Street, which increasingly includes several financial, retail, and restaurant franchises and serves as the region's social and economic hub.

A review of the Ramona region relative to San Diego LAFCO's growth management tasks and interests as prescribed under statute produces eight central themes or conclusions. These conclusions focus – albeit not exclusively – on the availability, need, and adequacy of municipal

services by Ramona MWD as the central service provider in the region. The conclusions are independently drawn and largely sourced to information collected and analyzed by the Commission between 2015 and 2019 and further detailed in the agency profile (Chapter Three).

- **No. 1 | Evolving Community Character**
  Ramona's community character continues to evolve and most notably towards a more traditional suburb setting with urban-type landscapes. This transition is reflected in the relatively high population growth rate in the region over the report period at 1.1% annually, which is more than one-fifth above the countywide average. The population is also increasingly more affluent than past generations with the average median household income equaling $92,543 at the end of the five-year report. This median income is more than two-fifths above the corresponding rate for all of San Diego County and – and among other factors – aided by the 17% increase in four-year college graduates over the 60-month period.

- **No. 2 | Expanded and Centralized Role of Ramona MWD**
  Ramona's evolving community character towards more traditional suburban uses has relatedly generated additional demands and expectations on local government in the region. Ramona MWD has affirmatively responded to these changes over its 60-year plus history and through a combination of consolidations and latent power expansions evolved into a multi-purpose agency and now the centralized provider of water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the region. Further expansions – however and irrespective of any merit – is limited under the principal act.

- **No. 3 | Adequate Service Capacities at MWD with One Notable Exception**
  As the principal municipal service provider in the region, Ramona MWD has developed adequate infrastructure capacities and related administrative controls to meet current and projected demands in the timeframe of this report with one exception. This exception involves meeting wastewater demands within the Santa Maria service area, which covers central Ramona and now regularly exceeds permitted capacities during high-rain periods due to excessive inflow (surface) and/or infiltration (groundwater) intrusion.

- **No. 4 | Need for Capital Improvement Investments within MWD**
  Notwithstanding the overall adequacy of current municipal service capacities, Ramona MWD would benefit from additional investment into its capital assets with specific focus on remedying the increasing and varying pipeline ages involving both its water and wastewater systems. Capital planning and investment in parks and recreation is also merited to help advise its contract provider (Ramona Parks and Recreation Association) and includes addressing improvements to the Wellfield Park and its Community Center and Rodeo Arena.

- **No. 5 | MWD's Positive Financial Standing**
  Ramona MWD improved its financial standing during the report period as measured by its audited net position with an overall 12% increase from $86 to $105 million. This improvement largely ties to Ramona MWD achieving an average annual bottom line – or total margin – and contributes to an ending unrestricted fund balance sufficient to meet 18 months of operating expenses. Ramona MWD also finished the period with a relatively well-funded employee pension program with a composite funded ratio of 80 percent.

- **No. 6 | Advancing Regional Fire Protection Services**
  Existing fire protection and emergency medical service in the Ramona region are equally divided between two special districts: Ramona MWD and San Diego County FPD. Both special districts choose to contract with CALFIRE for day-to-day field operations. This common arrangement – notably – suggests consolidating fire protection responsibilities under the San Diego County FPD's economies of scale would advantageously sync and enhance service levels while providing local control.

- **No. 7 | The Curious Case of Incorporation**
  There has been reoccurring interest in the Ramona region to incorporate and transition local governance from the County of San Diego Board of Supervisors to a newly established city council. Most recently, incorporation proponents approached LAFCO with pre-application submittals as required under policy in 1982 and 2005 before choosing not to proceed with official filings. It is nonetheless reasonable to assume future interest in incorporation will reemerge within Ramona given it size and local resources – including a combination of both property and sales taxes. Accordingly, it would be beneficial for LAFCO to prepare an informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – Ramona.

- **No. 8 | The Clearer Case for a Community Services District**
  Irrespective of the preceding topic on incorporation, the Ramona region has already established itself as an economic and socially distinct community in San Diego County. Ramona MWD has evolved accordingly and expanded its service functions to meet the community's needs and now operating at the authority limits under the MWD principal act. Reorganization into a community services district (CSD) appears meritorious in providing the region with a local governance model that can provide a complete range of municipal services with LAFCO approval with the lone exception of direct land use control. Reorganizing into CSD – markedly – would also serve as the preferred governance step towards a potential transition into an incorporated community.

4.2 Recommendations

The following recommendations call for specific actions either from San Diego LAFCO and/or other local government agencies based on information generated in this report and outlined below in order of their placement in Section 5.0 (Written Determinations). Recommendations for Commission action are dependent on a subsequent directive through the adopted work plan.

1. The Commission should coordinate with SANDAG to identify current buildout estimates relative to existing zoning standards by the County of San Diego for the Ramona region and incorporate the information into the next municipal service review. This should include assessing potential impacts tied to the recent passage of Senate Bill 9 (Weiner) and the allowance for additional lot splitting to accommodate more housing throughout California.

2. The Commission should perform additional analysis with respect to water, wastewater, and fire protection needs for adjacent lands to the Ramona region that qualify as disadvantaged unincorporated communities and incorporate accordingly into future service reviews.

3. Ramona MWD should address excessive inflow and infiltration issues – relative to permitted capacities – within its Santa Maria wastewater collection system in order to reduce system peaking factor and the elevated threat of raw sewage spills and/or related impacts to the environment.

4. Ramona MWD should develop a facility improvement plan to help advise its contract provider (Ramona Park and Recreation Association) and guide its parks and recreation function as well as engage constituents and in doing so in setting long-term service goals and amenities.

5. The Commission should defer its statutory task to address service levels and related needs of the lone mutual water company in the Ramona region – Rancho Santa Teresa – to a scheduled information report as part of the 2021-2022 workplan.

6. Ramona MWD should revisit and realign its water service operating costs and user rates to remedy a sizeable structural deficit of nearly nine-fold during the five-year report period.

7. Ramona MWD should expand its existing community outreach efforts by establishing social media uses and live-streaming meetings to affirmatively add to existing efforts in spotlighting its activities and further facilitate opportunities for community input.

8. Ramona MWD should consider the following actions with respect to improving current fire protection and emergency medical services:

   a) Ramona MWD should consider adopting response time standards with desired time dependent benchmarks and making these parts of the contract language with CAL FIRE.

   b) Ramona MWD should develop a vegetation management plan to mitigate the wildfire risk to the community. Similarly, a comprehensive review of community disaster risk should be completed and submitted to the County Office of Emergency Services for review and inclusion in the County's Multi-Jurisdictional Hazard Mitigation Plan.

9. Irrespective of the preceding recommendations, Ramona MWD and San Diego County FPD should consider a voluntary consolidation under the FPD's greater economies of scale to sync and enhance service levels for the common benefit of the Ramona region and need to vigilantly protect against wildfires.

10. The Commission should address and reconcile Ramona MWD's recycled water service activity as part of a future update to Rule No. 4 with respect to formally identifying the function, class, and authorized location under statute.

11. The Commission should prepare a future informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – the Ramona region as one of the largest unincorporated communities.

12. Reorganization of Ramona MWD into a community services district merits exploration in providing the Ramona region a local governance model that can continue to evolve with the community needs and – pertinently – serves as the preferred transitional vehicle to a potential future incorporation should circumstances warrant.

13. There appears to be sufficient merit to immediately proceed with a limited update and expansion to Ramona MWD's sphere of influence and add approximately 30 unincorporated acres lying immediately outside the current designation along Dos Picos Park Road.

14. Additional amendments to the Ramona MWD sphere of influence may also be warranted subject to a more comprehensive update as part of the next scheduled study.

5.0 WRITTEN DETERMINATIONS

San Diego LAFCO is directed to prepare written determinations to address the factors enumerated under G.C. Section 56430 anytime it prepares a municipal service review. These determinations serve as independent statements based on information collected, analyzed, and presented in this report's subsequent section. The underlying intent of the determinations is to provide a succinct detailing of all pertinent issues relating to the planning, delivery, and funding of municipal services in the Ramona region specific to the Commission's growth management role and responsibilities with focus on Ramona MWD. An abbreviated version of these determinations will be separately prepared for Commission consideration in conjunction with accepting the final report.

These determinations address the specific factors required in statute as part of the municipal service review process and represent statements of reasonable facts or deductions as legislatively determined by San Diego LAFCO and based on information analyzed between 2015 and 2019.

5.1 Growth Projections & Related Demographics

1. San Diego LAFCO estimates there are 37,708 total residents within the Ramona region at the end of the five-year report period. It is also estimated the average annual population growth rate in the region during the period has been 0.63%.

2. San Diego LAFCO estimates 94% – or 35,369 – of the total residents in the Ramona region are in the Ramona MWD jurisdictional boundary at the end of the five-year report period. The average annual population growth rate in MWD during the period is estimated at 1.1%.

3. The estimated population growth rate in Ramona MWD is more than one-fourth higher than the corresponding rate for all of San Diego County during the five-year report period and substantiates the relative growth orientation of the region's urban core.

4. A notable paradox underlying the overall population growth in the Ramona region involves student enrollment in the Ramona Unified School District and its own decline of (4%) within its 12 schools during the five-year report period.

5. Accommodating the estimated population growth within the Ramon region during the five-year report period is largely sourced to the construction of 289 of new housing units. Of this amount, 270 new housing units – or 93% – lie in the Ramona MWD jurisdictional boundary and reflects the integral connection of MWD in accommodating new development.

6. Growth will continue in the Ramona region. Most of the growth will lie in the Ramona MWD and the 1,723 parcels spanning 11,100 acres – which equals one-third of the current boundary – that are privately owned and undeveloped at of the end of the five-year report period.

7. San Diego LAFCO projects the recent growth rates within the Ramona region will generally hold during the report timeframe. Assuming these projections hold, the Ramona region will reach 38,906 by 2024 with 36,488 in the Ramona MWD jurisdictional boundary. This latter amount equates to the addition of 224 residents each year to the MWD.

8. San Diego LAFCO should coordinate with SANDAG to develop current buildout estimates relative to existing zoning specific to the Ramona MWD jurisdictional boundary and incorporate the information into the next municipal service review. This includes addressing the added density provisions established by the recent passage of Senate Bill 9.

9. With respect to notable demographics within Ramona MWD:

    a) Residents within Ramona MWD tend to be measurably older with a median age of 46 at the end of the five-year report period. This amount increased by 2.6% during the period and finished one-third above the corresponding median age for all of San Diego County.

    b) Ramona MWD residents tend to be financially secure with an average median household income of $92,543 at the end of the five-year report period. This amount decreased by (5.5%) during the period but still finished two-fifths above the corresponding median household income for all of San Diego County.

    c) Monthly housing costs (mortgages and rents) within Ramona MWD's jurisdictional boundary averaged $2,107 at the end of the five-year report period. This amount decreased by (2.7%) during the period but still finished one-third above the corresponding average housing cost for all of San Diego County.

    d) The percentage of residents' income dedicated to monthly housing costs in Ramona MWD increased during the five-year report period from 26.5% to 27.3%. This latter amount – nonetheless – remains under the corresponding average for all of San Diego County, which changed from 28.9% to 28.5% and reflect MWD residents' relative affluency.

    e) Residents within Ramona MWD finished the five-year report period with relatively low levels of unemployment with an ending average of 3.4%, which is nearly one-half below the corresponding amount for all of San Diego County.

f) Residents within Ramona MWD tend to be comparatively more homogenous with non-English speaking residents at the end of the five-year report period totaling only 6.0% and nearly three times lower than the corresponding rate for all of San Diego County.

5.2 Location and Characteristics of Disadvantaged Unincorporated Communities & Relevant Information on Water, Wastewater, and Fire Protection Services

1. Approximately one-tenth of the Ramona region qualifies as a disadvantaged unincorporated community under San Diego LAFCO policy. One-quarter of the qualifying lands concurrently lie within the Ramona MWD and accordingly receive – or at least eligible to receive – public water, wastewater, and fire protection services.

2. Land immediately to the north of the Ramona region qualifies as a disadvantaged unincorporated community under San Diego LAFCO policy. Additional analysis is needed to determine the percentage of these qualifying lands that concurrently lie within public water, wastewater, and fire protection service providers.

5.3 Capacity of Public Facilities and Infrastructure Needs and Deficiencies

1. The County of San Diego and Ramona MWD serve as the principal municipal service providers within the Ramona region. This municipal service review appropriately focuses on Ramona MWD and its five active municipal service functions: potable water; wastewater; fire protection and emergency medical; parks and recreation; and recycled water.

2. San Diego LAFCO determines the five active service functions provided by Ramona MWD and identified in the preceding statement have adequate infrastructure capacities in meeting current and near-term demands with limited exceptions as detailed.

3. With respect to potable water services provided by Ramona MWD:

   a) Ramona MWD's potable water function commenced in 1956 in conjunction with its formation and classified as retail under LAFCO statute and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.

   b) Ramona MWD's potable water service area presently covers approximately 60% of its jurisdictional boundary. San Diego LAFCO estimates the population in the water service area at the end of the five-year report period at 25,120 and equals 71% of the entire District population. The unserved portion of the jurisdictional boundary is largely undeveloped.

c) Ramona MWD is entirely dependent on potable water supplies imported from the San Diego County Water Authority. The estimated maximum available daily supply based on MWD's existing infrastructure and related connectivity to the County Water Authority is 63.5 acre-feet and translates to an annual capacity of 23,178 acre-feet.

d) Average day demands within Ramona MWD's potable water service area have equaled 10.5 acre-feet during the five-year report period with an overall change of (6%). This average demand equals 17% of MWD's accessible daily supplies and sufficient to meet current and anticipated demands through the report timeframe under normal conditions.

e) Peak-day demands within Ramona MWD's potable water service area have averaged 15.6 acre-feet during the five-year report period with an overall change of 1%. This average demand equals 25% of MWD's accessible daily supplies and sufficient to meet current and anticipated demands through the report timeframe under normal conditions.

f) Estimated per capita daily uses within Ramona MWD's potable water service area has decreased by (10%) over the five-year report period from 142 gallons to 127 gallons. This overall decrease in per capita day demands coupled with the corresponding increase in population growth substantiates improved conservation among end-users.

g) Additional analysis would be needed to assess whether the portion of daily uses within Ramona MWD is dedicated to indoor use and the relationship therein in meeting the State of California's advisory target to limit per capita usage to 55 gallons under new legislation (Assembly Bill 1668 and Senate Bill 606).

h) Total storage within Ramona MWD's potable water service area is 78 acre-feet and can accommodate up to seven consecutive days of average day demands generated during the five-year report period without recharge. The number of storage days decreases to five- relative to accommodating average peak day demands.

4. With respect to wastewater services provided by Ramona MWD:

a) Ramona MWD's wastewater function commenced in 1981 as successor agency to the Ramona Sanitation District. This active service function is classified as collection, treatment, and disposal under LAFCO statue and Commission Rule No. 4.

b) Ramona MWD's wastewater function is geographically limited by the Commission to two distinct service areas – Santa Maria and San Vicente – and they collectively equal 24% of the jurisdictional boundary.

c) Additional analysis would be needed in coordination with the County of San Diego Environmental Health Department to identify active septic systems in Ramona MWD.

d) The total wastewater service population for Ramona MWD at the end of the five-year report period is estimated by San Diego LAFCO at 25,108. This estimate represents 71% of the total estimated MWD population and divided between the Santa Maria and San Vicente service areas at 15,644 and 9,464, respectively.

e) Specific to the Santa Maria system, it is presently operating at 60% permitted capacity under normal conditions based on average day demands during the five-year report period. Capacity usage increases to 155% during peak wet periods and shows excessive inflow and infiltration is entering the collection system.

f) Specific to the San Vicente system, it is presently operating at 61% permitted capacity under normal conditions based on average day demands during the five-year report period. Capacity usage increases to 95% during peak wet periods and suggest excessive inflow and infiltration is entering the collection system.

g) Capital improvements are needed to both Ramona MWD's wastewater systems to expand the daily treatment capacities with corresponding permit allowances to avoid untreated sewage overflows and/or spills during peak wet periods given current capacity deficiencies.

5. With respect to fire protection and emergency medical services provided by Ramona MWD:

a) Ramona MWD's integrated fire protection and emergency medical service function commenced in 1981 as successor agency to Ramona FPD and classified as structural and basic life support under LAFCO statute and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.

b) Ramona MWD's fire protection and emergency medical services are provided through a cooperative contract with CALFIRE and delivered out of three MWD fire stations with total public safety staffing at 33 at the end of the five-year report period. This latter amount represents 0.9 public safety personnel for every 1,000 residents in MWD.

c) Average annual demands for fire protection and emergency medical services by Ramona MWD – both inside and outside the jurisdictional boundary – have increased in four of the five years in the report period with an overall change of 10% and attributed to an increase in population as well as commute traffic along State Route 67.

d) The average demand for onsite fire protection and emergency medical service within Ramona FPD during the five-year period has been 2,570 annually or 7 per day.

e) Ramona MWD responded on average – exclusively or in combination with outside agencies – to 95% of all onsite incidents involving fire protection and emergency medical in its jurisdictional boundary over the five-year report period.

f) Ramona MWD has a low dependency on outside agencies to cover fire protection and emergency medical needs with an average of only 10 out of 100 onsite incidents in the jurisdictional boundary necessitating outside aid during the five-year report period.

g) Approximately 70% of all onsite incidents in the Ramona MWD during the five-year report period resulted in ambulance transport to an area hospital. The number of ambulance transports increased by approximately 10% over the 60-month period and tied to an increase in population within the region.

6. With respect to parks and recreation services provided by Ramona MWD:

a) Ramona MWD's parks and recreation function commenced in 1975 as part of a latent power approval and classified as community parks and rental facilities under LAFCO statue and Commission Rule No. 4. This activated function applies to the entire District jurisdictional boundary.

b) Ramona MWD's parks and recreation function has been outsourced since 1994 to the Ramona Parks and Recreation Association (501(c)(3)). Ramona MWD – nonetheless – retains legal responsibility for all related public parks and recreation services.

c) Ramona MWD's current community park resources comprise Wellfield Park and Lake Ramona and collectively generate a ratio of 4.7 park acres for every 1,000 residents. This amount exceeds by more than one-half the baseline ratio of 3.0 park acres for every 1,000 residents established by the State under the Quimby Act.

d) Infrastructure and facility improvements are budgeted as needed; Ramona MWD has not established a formal capital improvement program. The absence of this type of document hinders the District and its contractor's ability to strategically plan and allocate resources while diminishing the opportunity to engage constituents on long-term service goals.

7. With respect to recycled water services provided by Ramona MWD:

a) Ramona MWD's recycled water function commenced in 1987 at the San Vicente Wastewater Reclamation Plant and in 1999 at the Santa Maria Wastewater Reclamation Plant. Their recycled water function currently involves retailing to San Vicente Golf Course and Mt. Woodson Golf Course. San Diego LAFCO should address this active service function under Government Code Section 56425(i) as part of a future policy update to Commission Rule No. 4 with respect to formally identifying the function, class, and authorized location as deemed appropriate by the Commission.

b) The current average demand of recycled water during the five-year report period has been 0.209 million gallons per day at Ramona MWD's San Vicente Wastewater Reclamation Plant and 0.167 million gallons per day at the Santa Maria Wastewater Reclamation Plant and is used for irrigation by the San Vicente Golf Course, Mt. Woodson Golf Course, an avocado grove and spray fields near range land Road and Highland Valley Road.

8. The Commission has identified one mutual water company – Rancho Santa Teresa – operating within the Ramona region. Consistent with LAFCO statute, the Commission defers evaluation of this mutual water company to a future informational report.

9. An evaluation of fire protection and emergency medical services within the Ramona region provided by the San Diego County FPD is appropriately addressed in the Commission's recent municipal service review on County Service Area No. 135 (June 2020) and incorporated herein.

5.4 Agencies' Financial Ability to Provide Municipal Services

1. Ramona MWD improved its financial standing during the five-year report period as measured by its audited net position (i.e., agency value) increasing by 12% from $86.9 to $105.1 million.

2. The unrestricted and spendable portion of Ramona MWD's fund balance at the end of the five-year report period is sufficient to cover 18 months of typical operating expenses. This amount is three times more than the District's target of having six months in reserves.

3. Ramona MWD's operating budget is divided into four funds – Water, Fire & Emergency Medical Service, Wastewater, and Parks – and collectively increased by 12.8% in budgeted expenses during the five-year report period. This amount is more than double the corresponding 6.5% increase in budgeted revenues and merits revisiting in the next scheduled municipal service review to assess whether the imbalance is structural or temporary.

4. Standard measurements to assess liquidity, capital, margin, and equipment replacement levels shows Ramona MWD experienced mix trends during the five-year report period but nonetheless finished at or above industry standards. With this context in mind, the following statements apply:

   a) Liquidity levels as measured by days' cash available to Ramona MWD improved during the five-year report period by one-fifth from 522 to 609 days with the latter amount providing 87 weeks of accessible cash to cover normal operating costs.

   b) Capital levels as measured by Ramona MWD's debt-to-net position modestly improved during the five-year report period from 19% to 16% with the latter amount reflecting less than one-fifth of the District's overall value (net position) is tied to outside borrowing.

   c) The total margin for Ramona MWD decreased overall during the five-year report period but remained positive each year with an overall average 11%. This latter amount contrasts with the District's average operating margin of (10%) and denotes a substantive reliance on property taxes to subsidize District activities during the report period.

   d) The replacement rate of capital infrastructure (i.e., buildings, land, pipes, etc.) moderately decreased by one-tenth during the five-year report period from 23 to 25 years.

5. Ramona MWD's employee pension program at the end of the five-year report period finished with a composite funded ratio of 81% and considered good relative to industry standards.

6. With respect to financial standing for specific service functions:

   a) Ramona MWD's potable water services operate as an enterprise and intended to be self-supporting through user fees and related charges. Actual expenses during the five-year report period have increased by 17% while actual revenues have increased by 2% and produces nearly a nine-fold structural deficit. This imbalance suggests changes to rates and/or operating expenses are needed to ensure an appropriate level of cost-recovery.

b) Ramona MWD's wastewater services operate as an enterprise and intended to be self-supporting through user fees and related charges. Actual expenses during the five-year report period for the Santa Maria and San Vicente systems increased by 9% and 7% while revenues increased by 76% and 29%, respectively.

c) The three other service functions provided by Ramona MWD – fire protection and emergency medical, parks and recreation, and recycled water – operate as hybrids and dependent on both general property tax revenues and user fees/assessments. With respect to notable trends therein, the District has become increasingly reliant on property taxes and most notably saw an increase of 19.7% allocated to fire protection and EMS and has averaged 32.2% during the reporting period.

5.5 Status and Opportunities for Shared Facilities and Resources

1. Ramona MWD has been proactive in establishing responsive shared resources with other local governmental, non-profits, and tribes involving its active service functions for the collective benefits of MWD constituents. Examples follow.

a) Ramona MWD has established infrastructure interties with the City of Poway to receive and provide treated potable water supplies to one another in the event of emergencies and/or other interruptions in normal operations.

b) Ramona MWD has two surface storage reservoirs available for use, Lake Ramona and Lake Sutherland with the latter owned by the City of San Diego.

c) Ramona MWD maintains automatic aid agreements with several adjacent providers – including City of Poway and Barona Fire Department – to receive and provide fire protection/rescue and emergency medical services within their respective boundaries based on dispatch proximity.

d) Ramona MWD coordinates closely with the Ramona Unified School District to provide parks and recreational activities ranging from after school programs to sporting events.

5.6 Local Accountability and Government Restructure Options

1. Ramona MWD has been responsive to community needs since formation and through a combination of consolidations and latent power expansions is now the centralized provider of water, wastewater, fire protection and emergency medical, parks and recreation, and recycled water in the Ramona region.

2. Additional service function expansions by Ramona MWD is limited under the current principal act to storm drainage, solid waste collection, and electricity and subject to formal review and approval by the Commission.

3. Ramona MWD's position as the only public agency entirely governed by elected residents uniquely positions MWD to legitimately address and/or represent community interests with other local, regional, and State agencies on a range of municipal-themed topics underlying growth and development in the Ramona region.[7]

4. Ramona MWD has been governed by responsive officials during the five-year report period and illustrated by holding regular monthly meetings, timely posting agendas and minutes online, and employing and/or otherwise contracting professional staff. These measurable actions create trust with constituents and help ensure their ongoing financial investment via property taxes, special assessments, and user charges are warranted.

5. Ramona MWD maintains a user-friendly website that meets all requirements recently established for local government agencies (Assembly Bill 2257 and Senate Bill 939).

6. Ramona MWD should expand its existing community outreach efforts by utilizing social media and providing live streaming of meetings. These efforts would affirmatively add to existing efforts by MWD in spotlighting its activities and further facilitate opportunities for community input into the Board decision-making.

7. Existing fire protection and emergency medical service in the Ramona region are closely divided between Ramona MWD and San Diego County FPD with both agencies contracting with CALFIRE for day-to-day field operations. These dynamics suggest consolidating fire protection responsibilities under the San Diego County FPD's greater economies of scale would advantageously sync and enhance service levels and should be fully explored.

8. It is reasonable to assume interest in incorporation will resurface in the Ramona region given past inquiries coupled with its standing as one of the largest unincorporated communities with increasing property and sale tax bases. Accordingly, and to help apprise future decision-making, it would be beneficial for the Commission to prepare an informational report to advise on current statutory thresholds and associated incorporation opportunities in San Diego County to include – but not limited to – Ramona.

7 On record with the Registrar of Voters, Ramona MWD has had 10 divisions contested in elections since 2010.

9. Ramona MWD has evolved and expanded its service functions to meet the community's needs and as detailed now substantively operating at the authority limits under the MWD principal act. Reorganization into a community services district merits exploration in providing the region with a local governance model that can continue to evolve with the community needs and – pertinently – serves as the preferred transitional vehicle to a potential future incorporation.

10. There appears to be sufficient merit to immediately proceed with a limited update and expansion to Ramona MWD's sphere of influence. This includes adding approximately 30 unincorporated acres lying immediately outside and in between Ramona MWD and City of Poway's spheres but accessible only through MWD along Dos Picos Park Road.

11. Additional amendments to the Ramona MWD sphere of influence may also be warranted subject to a more comprehensive update as part of the next scheduled study.

12. Other local agencies providing one or more municipal services directly in the Ramona region include Palomar Healthcare District and Ramona Cemetery District and will be addressed by San Diego LAFCO as part of future municipal service reviews.

CHAPTER THREE | AGENCY PROFILE

1.0 OVERVIEW

Unincorporated Ramona Village (2020)
Eastbound Main Street at Seventh Street



Photo Credit: Priscilla Allen

Ramona Municipal Water District (MWD) is an independent special district formed in August 1956. Formation proceedings were initiated by landowner petition for the initial purpose of providing reliable water service in the unincorporated community of Ramona to support a developing commercial district along Main Street as well as surrounding agricultural activities. Ramona MWD encompasses a 75-square mile jurisdictional boundary covering most of the Santa Maria Valley and anchored by the intersection of State Routes 67 and 78 in east-central San Diego County. The jurisdictional boundary includes the unincorporated "village" community of Ramona and the adjacent planned residential development of San Diego County Estates and represents 1.7% of all lands in San Diego County. Governance is provided by a five-person board with members elected by divisions and serve staggered four-year terms. Board appointments are also allowed in lieu of candidate filings. The average Board tenure among current members is 6 years.

Ramona MWD has evolved since its formation in 1956 and initial task to provide water service through subsequent reorganizations – including three consolidations with other special districts – and currently authorized to provide five distinct service functions. These active functions involve (a) potable water, (b) wastewater, (c) fire and emergency medical, (d) park and recreation, and (e) non-potable water.[8] Ramona MWD is also empowered – subject to LAFCO authorization – to provide solid waste and garbage removal as well as electric services. The operating budget at the term of the report period (2018-2019) was $36 million with 48 fulltime equivalent employees. The last audited financial statements cover 2018-2019 and show the net position totaling $105 million with the unrestricted portion tallying $49 million. This latter amount represents the equivalent of 17.5 months of operating expenses.

> Ramona MWD is presently authorized by LAFCO to provide five distinct service functions: potable (domestic) water; wastewater; fire and emergency medical; park and recreation; and non-potable (recycled) water.

LAFCO independently estimates the fulltime resident population within Ramona MWD is 35,369 as of the term of this report period. It is also projected the estimate of fulltime residents represents an

8 Ramona MWD was authorized to provide park and recreation services as a latent power in 1975 and operates a 166-acre community park and Lake Ramona.

overall increase of 3,213 since 2010 – or 357 annually – with a resulting annual growth rate of 1.1% and well above the countywide rate of 0.86%. The estimated population is directly supported by 12,410 housing units in the jurisdictional boundary; an amount that increased by 487 – or 0.45% annually – since 2010. The median household income in Ramona MWD is $92,543 based on the current five-year period average, which is nearly two-fifths higher than the countywide average of $66,529.

2.0 BACKGROUND

2.1 Community Development

Ramona MWD's service area began its present-day development with a Mexican land grant – "Rancho Santa Maria" – made to family members Joaquin Ortega and Adolpho Stokes in 1843. The Ortega-Stokes family settled on the eastern edge of the Santa Maria Valley and began to raise sheep and cattle before eventually having to divide and sell portions of the rancho to cover personal debts. In 1884, Amos Verlaque purchased one of these lots located along a horse trail heading northeast and later becoming the "Julian" road. Verlaque opened a general store on the 2.5-acre lot in the otherwise sparsely populated area to serve miners heading to the goldmines in Julian and in doing so generating the name "Nuevo" for the area and the stagecoach stop built nearby. Milton Santee with the Santa Maria Land and Water Company followed in 1886 and purchased almost 4,000 acres in Nuevo and proceeded to record a new subdivision with the County of San Diego formally dividing the area into multiple lots along Main Street (and later State Route 67) in 1895. Nuevo was later renamed to "Ramona" and done so after a popular fictional novel written by Helen Hunt Jackson involving a female protagonist in rural southern California and her relationship with a Native American.

Ramona Subdivision Map (1890)
Recorded with the County of San Diego

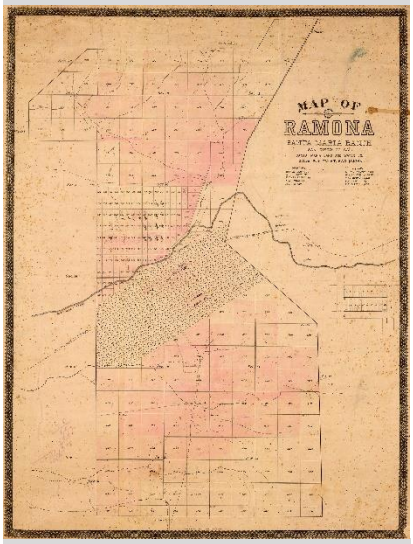


Photo Credit: San Diego History Center

The first official census performed for Ramona estimated its resident population at 394 in 1890 and largely engaged in cattle, sheep, and goat farming. The subsequent subdivision recorded by the Santa Maria Land and Water Company and related development increased the estimated population in Ramona to 849 in 1910 and in doing so becoming one of the largest unincorporated settlements in San Diego County with its own town hall, bank, school, blacksmith, and hotel. It was also at this time civic leaders planted hundreds of eucalyptus trees along Main Street that remain today.

Ramona Main Street Parade (1937)
Eastbound Main Street at Seventh Street



Photo Credit: San Diego History Center

The County of San Diego remained the lone source of local government for Ramona through the start of the 20th century until 1925 when the Ramona Irrigation District was formed and proceeded to construct the first community water system to support new development.[9] Ramona's development was further aided with the organization of a volunteer fire company in 1934 as well as completion of State Routes 67 and 78 at the end of the 1930s to provide direct connection to the Cities of El Cajon and Escondido, respectively. Fire services were further strengthened in 1946 with the formation of the Ramona Fire Protection District in 1946. Public sewer services were separately established in 1946 with the formation of the Ramona Sanitation District. Markedly, these civic improvements coupled with escalating housing demand in the region following the end of World War II contributed to the Ramona area's resident population increasing to 3,384 by 1940. The population increased by another 50% over the next decade and reached 4,843 in 1950.

2.2 Formation Proceedings

Ramona MWD's formation was petitioned by landowners in November 1955 to provide a more reliable source of potable water to the community given ongoing concerns with the local wellfield sources operated by the Ramona Irrigation District. The proposal filing was done in coordination with the newly formed San Diego County Water Authority and its wholesale delivery of water imports from the Colorado River via the San Diego Aqueduct and through its membership agreement with the Metropolitan Water District of Southern California. The San Diego County Boundary Change Commission approved formation and the original 22 square mile jurisdictional boundary subject to voter confirmation. A special election was subsequently held in July 1956 and voters confirmed the formation with 66% – or 837 to 433 –in favor. A director was also elected to each of Ramona MWD's five divisions.[10] The formation was certified by the Board of Supervisors and became effective in August 1956.

Ramona MWD Board (1957)
Groundbreaking Ceremony to Connect to Aqueduct



Photo Credit: Ramona MWD

2.3 Post Formation Proceedings

A summary of notable activities undertaken by Ramona MWD and/or affecting the District's service area following formation in 1956 is provided below.

9 The vote to approve the formation of the Ramona Irrigation District was 96-2 and included the election of a five-member board along with authorizing $90,000 in bonded debt to construct a well-field system.

10 The five elected directors of the Ramona MWD at the time of formation were Carl Gustaf Nelson (1st Division), Neil W. Stonehouse (2nd Division), Herbert H. Carter (3rd Division), Everette D. Ronnie (4th District), and James W. Smith (5th District).

- Ramona MWD concurrently annexes into the San Diego County Water Authority and Metropolitan Water District of Southern California in 1957. This reorganization provides Ramona MWD membership to the County Water Authority and access to its wholesale supplies drawn from the Colorado River and Sacramento Bay-Delta.

- LAFCO approves the dissolution of the Ramona Irrigation District and designates Ramona MWD as successor agency in 1966.

- LAFCO approves annexation of the planned residential community of San Diego Country Estates to Ramona MWD in 1970.

- LAFCO approves Ramona MWD's park and recreation powers activation in 1975. The activation covers the entire jurisdictional boundary.

- Ramona MWD's files a reorganization proposal with LAFCO to incorporate the community of Ramona in 1982. The proposal is filed on behalf of the Ramona Incorporation Committee and – among other items – seeks concurrent merger with Ramona MWD. The proposal is subsequently withdrawn later in the year due to concerns regarding fiscal feasibility.

- LAFCO approves a multi-agency reorganization involving the dissolutions of the Ramona Sanitation District and the Ramona Fire Protection District and annexation of the affected territory therein to the Ramona MWD as successor agency in 1981. The reorganization expands Ramona MWD's active service functions to include wastewater (specified areas) and fire protection and emergency medical. LAFCO also approves activation of Ramona MWD's sanitation power within specified areas.

- LAFCO approves an expansion of Ramona MWD's authorized wastewater power to correspond with the urban limit line established in the Ramona Community Plan in 1982.

- LAFCO establishes a coterminous sphere of influence for Ramona MWD in December 1983.

- Ramona MWD enters into a service agreement with CAL FIRE in 1992 to assume fire protection and emergency medical service responsibilities for the District jurisdictional boundary.

- LAFCO approves the concurrent dissolution of the Mt. Woodson Ranch Sanitation District and annexation of the affected territory to Ramona MWD as successor agency in 1993. The reorganization enlarges the District sewer service boundary by 400 acres.

- LAFCO affirms Ramona MWD's sphere of influence with no changes in 2005 and again in 2014.

3.0 BOUNDARIES

3.1 Jurisdictional Boundary

Ramona MWD's jurisdictional boundary spans 46,005 acres and covers 2% of all of San Diego County. All jurisdictional lands are unincorporated except for a 3.0 acre incorporated parcel in the City of Poway that comprises the MWD pump station.

Ramona MWD encompasses approximately 75 square miles and covers 46,005 acres (parcels, waterways, and public rights-of-ways). The jurisdictional boundary is unincorporated with exception of a 3.0-acre MWD parcel and spans the width of the Santa Maria Valley and includes two distinct local communities: Ramona Village and San Diego Country Estates. State Route 78 connects the jurisdictional boundary to the City of Escondido to the west while State Route 67 connects the jurisdictional boundary to the City of Poway to the southwest and further along to the Cities of Santee and El Cajon. The elevation within the jurisdictional boundary ranges from 1,380 feet to 2,140 feet above sea level with the latter point recorded on Starvation Mountain. The predominant land uses are low density residential and – albeit at a decreasing level – commercial agriculture.[11] There are 21,366 registered voters.

Ramona MWD
Jurisdictional Boundary Characteristics
Table 3.1a (Source: San Diego LAFCO)

Total Jurisdictional Size	46,005 acres
Total Jurisdictional Parcels and Acreage (excludes rights-of-ways, etc.)	19,662 parcels totaling 44,575 acres
- Publicly Owned Parcels and Acreage	261 parcels totaling 11,115 acres
- Privately Owned Parcels and Acreage	19,401 parcels totaling 33,460 acres
- Percentage of Privately-Owned Parcels Developed	67%
Total Number of Registered Voters	21,366
Total Assessed Value (Land and Structures)	$4.560 billion

Ramona MWD receives $14.23 for every $1,000 of property tax collected within its jurisdictional boundary.

Total assessed value (land and structure) within the Ramona MWD jurisdictional boundary is $4.5 billion at the end of the report period and translates to a per acre ratio of $0.099 million. The former amount – $4.5 billion – further represents a per capita value of $0.129 million based on the estimated fulltime population in Ramona MWD of 35,369. Ramona MWD receives 14.23% of the 1.0% in property taxes annually collected within the jurisdictional boundary. This apportionment produces an annual average of $5.697 million over the report period.

11 Agriculture within the unincorporated community of Ramona primarily began with dairies, poultry, sheep, and cattle as well as honey, fruits, grain and dry-farming products. In the 1920's, Ramona was recognized for its turkey and egg production and was known as the "Turkey Capital of the World." Since then, agriculture has slowed in the region, and slowly transitioned since the annexation of the San Diego Country Estates in the 1970's and the progression of suburban development. Ramona, however, remains active in agriculture and most notably in wine production and recognized for over 30 first-generation wineries in the region.

The jurisdictional boundary is currently divided into 19,662 legal parcels and spans 44,575 acres. (The remaining jurisdictional acreage consists of public rights-of-way and related dedications.) Three fourths – or 75.1% – of the parcel acreage in Ramona MWD is under private ownership with 67% of this amount having already been developed, although not necessarily at the highest allowed zoning density. The remainder of the private acreage is undeveloped and consists of 1,723 parcels totaling 11,148 acres. Approximately one-tenth of the jurisdictional boundary qualifies as a disadvantaged community under LAFCO policy and primarily overlaps the "San Vicente" area in Ramona.

67% of all privately owned acreage in Ramona MWD has been developed to date. The remaining 33% of the private acreage is undeveloped and totals 11,148 acres.

3.2 Sphere of Influence

Ramona MWD's sphere of influence was originally established by LAFCO in April 1983 and was most recently reviewed by the Commission in June 2014. The sphere of influence has remained nearly coterminous with the jurisdictional boundary with the exception of excluding a 3.0-acre parcel owned by the MWD that lies within the City of Poway and the site of a pump station.[12] No outside lands *immediately* adjacent to the sphere of influence qualify as a disadvantaged unincorporated community under LAFCO policy (emphasis).

LAFCO's sphere of influence for Ramona MWD does not include any non-jurisdictional lands and reflects a standing Commission policy expectation that no changes are anticipated in the near future.

3.3 Other Boundaries (Non-LAFCO)

The County of San Diego General Plan was last updated by the Board of Supervisors in August 2011 and provides development policies and objectives for the unincorporated area. Specific standards for the Ramona region are delegated in the General Plan to the Ramona Community Plan, which is one of 22 designated communities identified by the Board of Supervisors meriting stand-alone land use provisions. The Ramona Community Plan Area covers 83,955 acres and extends east beyond the Ramona MWD towards the unincorporated community of Santa Ysabel. A 15-member advisory body – Ramona Planning Group – assist in the implementation of the Ramona Community Plan and the document's notable features, which includes limiting residential development in its most dense area (Town Center) to no more than 7.3 dwelling units per acre.[13]

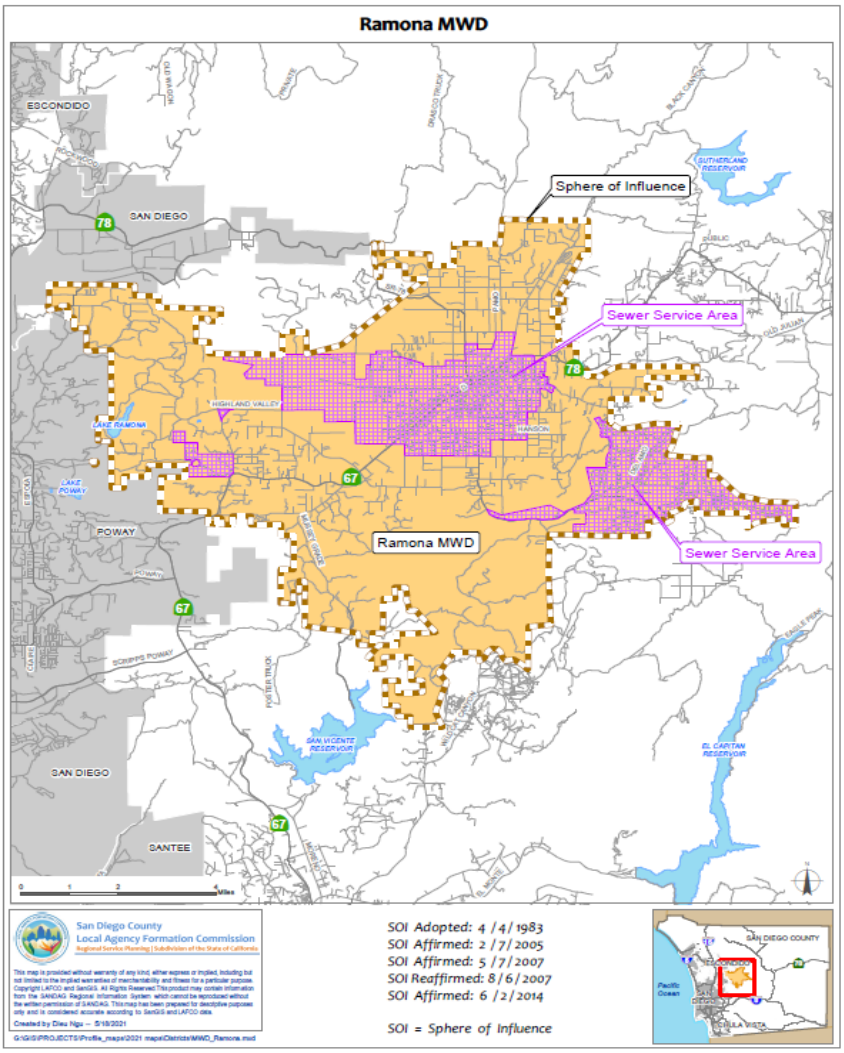
The Ramona Community Plan serves as the core planning document for the Ramona MWD jurisdictional boundary. The Plan and its core objectives are captured by the following statement: "accommodate an increasing population without adversely affecting agricultural land uses, open space buffers, and recreational opportunities."

12 The Ramona MWD jurisdictional boundary was inclusive of a Special Study Area created in December 2016 following a resolution and application by Ramona MWD requesting Commission approval of an approximate 953-acre expansion of the District's activated latent powers area for sewer service to facilitate the development of a residential development project known as "Montecito Ranch."

13 The Ramona Planning Group holds regular meetings on the first Thursday of each month at 7:00 P.M. Regular meetings are held at the Ramona Library at 1275 Marin Street. Board members are elected by registered voters within the Community Planning Area or appointed by the Board of Supervisors in lieu of contested elections. The current Chair of the Ramona Community Planning Group is Casey Lynch.

With respect to other relevant boundaries, Ramona MWD falls entirely within the Ramona Unified School District. The total student enrollment at the end of the report period was 5,472 and represents an overall decrease of (3.9)% over the preceding 60-month period.

3.4 Current Boundary and Sphere Map



Quick Facts

Jurisdictional Boundary

75 square miles or 46,005 acres
- nearly 2x the City of Poway

Divided into 19,662 parcels
- 19,401 (98.6%) are privately owned and total 33,460 acres

Growth expected
- 24% of the jurisdictional boundary that is under private ownership remains undeveloped

$4.5 billion in assessed value

10% qualifies as DUC

Sphere of Influence

Last updated in 2014

Coterminous with boundary

4.0 DEMOGRAPHICS

4.1 Population and Housing

Ramona MWD's total fulltime resident population within its jurisdictional boundary is independently estimated by LAFCO at 35,369 as of the term of the five-year report period. This amount represents 1.1% of the countywide total. It is also estimated the fulltime population has risen overall by 9.6% – 3,213 – from 33,357 in 2010 and the last census reset. This translates to an annual change of 1.1%, which is more than one-fifth higher than the corresponding countywide growth rate of 0.86% over the same period. The current estimate also produces a population density of 0.8 resident for every 1.00 acres and underlies the overall rural character of the service area. For the purposes of this report, it is projected the current growth rate will continue into the near-term and result in the fulltime population reaching 38,569 by 2024.

It is estimated there are 35,369 fulltime residents in Ramona MWD at the end of the report period. It is also projected the fulltime population will increase consistent with recent trends – or 1.1% annually – and reach 38,569 by 2024.

Ramona MWD
Resident Population
Table 4.1a (Source: Esri | San Diego LAFCO)

Factor	2010 Estimate	2019 Estimate	Annual Change	2024 Projection
Ramona MWD	33,357	36,570	1.07%	38,569
San Diego County	3,095,264	3,333,975	0.86%	3,479,823

LAFCO separately estimates 12,410 residential housing units within Ramona MWD's jurisdictional boundary through the term of the report period. This amount represents an overall increase of 4.0% or 487 since 2010 for an annual gain of 54. With respect to current housing characteristics, and based on five-year averages, 68% are owner occupied, 26% are renter occupied, and the remaining 6% are vacant. The average household size has remained relatively stagnant and ended the report period at 3.0. The median monthly housing cost has decreased by (2.7%) over the preceding period from $2,166 to $2,107 based on the most recent five-year period averages. The mean monthly housing cost, however, remains substantially above the countywide average of $1,578 and equals 28% of the average household income at the end of the report period.

Housing production in Ramona MWD currently totals 12,410 dwelling units; and amount that has increased by 487 since 2010. The average monthly housing costs has slightly declined over the same period from $2,166 to $2,107 with the latter amount equaling 28% of the average household income.

Ramona MWD
Housing Characteristics
Table 4.1b: (Source: Esri and San Diego LAFCO)

Factor	Ramona MWD Boundary	San Diego County
2010 Housing Units	11,923	1,164,766
2019 Housing Units	12,410	1,233,127
… Change	+487 or 4.1%	+68,361 or 5.7%
Household Size (5-year average 2007-2011)	2.98	2.79
Household Size (5-year average 2012-2016)	3.02	2.87
… % Change	1.44%	2.88%
Monthly Housing Cost (5-year average 2007-2011)	$2,166	$1,540
Monthly Housing Cost (5-year average 2012-2016)	$2,107	$1,578
… % Change	(2.71%)	(2.47%)
2010 Vacancy Rate	6.60%	6.69%
2019 Vacancy Rate	4.95%	5.45%
… % Change	(25.00%)	(18.53%)

4.2 Age Distribution

The median age of residents in Ramona MWD is 46 based on the current five-year period average. This amount shows the population is getting slightly older with the median age experiencing an overall change of 2.6% over the preceding five-year period average. The current median age in Ramona MWD also continues to be significantly higher compared to the countywide average and its ending average of 35. Residents in the prime working age group defined as ages 25 to 64 also make up more than one-half of the total population at 55.3% and represents a further separation of less than one-tenth from the countywide total of 47.0% during the two periods.

Residents in Ramona MWD tend to be much older relative to countywide averages at 46 compared to 35.

Ramona MWD
Median Age of Residents
Table 4.2a (Source: SD LAFCO and ESRI)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	44.34	45.49	2.59%
San Diego County	34.60	35.30	2.02%

Ramona MWD
Prime Working Age, 25-64
Table 4.2b: (Source: American Community Survey and San Diego LAFCO)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	55.1%	55.3%	0.3%
San Diego County	53.4%	47.0%	(11.99%)

4.3 Income Characteristics

The median household income in Ramona MWD is $92,543 based on the most recent five-year period average. This amount shows fulltime residents are receiving moderately less pay with the median income experiencing an overall decrease of (5.5%) from the preceding five-year period average of $97,917. The current median household income in Ramona MWD, nonetheless, remains two-fifths higher than the current countywide median of $66,259. Separately, the current average rate of persons living below the poverty level in Ramona MWD is 7.6% and has increased by almost one-tenth – or 11.0% – over the earlier five-year period. The poverty rate in Ramona MWD remains one-half lower than the countywide rate of 14.0%.

Ramona MWD residents' average median household income has experienced a moderate decrease in recent years and is currently $92,543. Despite the decrease, this amount remains substantively higher than the countywide average of $66,529.

Ramona MWD
Median Household Income
Table 4.3a (Source: SD LAFCO and ESRI)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	$97,917	$92,543	(5.49%)
San Diego County	$63,857	$66,529	14.20%

Ramona MWD
Resident Poverty Rates
Table 4.3b (Source: SD LAFCO and ESRI)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	6.98%	7.75%	11.01%
San Diego County	13.01%	14.00%	0.6%

4.4 Socioeconomic Indicators

Unemployment levels within Ramona MWD remain comparatively low at 3.4% based on the most recent five-year averages and fall nearly one-third lower than the corresponding countywide average of 4.9%. Unemployment levels within Ramona MWD also have improved and decreased over the prior five-year average by almost one-half. Other notable socioeconomic indicators reflected in the most recent five-year averages include double-digit percent increases in the number of residents teleworking as well as residents with college degrees. Non-English speakers in Ramona MWD equal 6.0% of all residents and nearly three times below the countywide average.

Residents in Ramona MWD continue to experience low levels of unemployment with a current average of 3.4% and one-third below the countywide average of 4.9%. The rate of residents teleworking increased by two-fifths over the report period and three times the corresponding change in all of San Diego County.

Ramona MWD
Unemployment Levels
Table 4.4a (Source: SD LAFCO and ESRI)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	6.71%	3.43%	(48.90%)
San Diego County	5.60%	4.90%	(11.99%)

Ramona MWD
Working from Home
Table 4.4b (Source: SD LAFCO and ESRI)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	6.63%	10.63%	60.31%
San Diego County	6.00%	7.00%	16.67%

Ramona MWD
Non-English Speaking
Table 4.4c (Source: SD LAFCO and ESRI)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	5.86%	6.03%	2.91%
San Diego County	16.10%	15.00%	(6.83%)

Ramona MWD
Four-Year College Graduates
Table 4.4d (Source: SD LAFCO and ESRI)

Category	Past Average 2007-2011 Period	Current Average 2012-2016 Period	Change %
Ramona MWD	30.91%	36.17%	17.0%
San Diego County	34.20%	36.50%	6.73%

5.0 ORGANIZATION

5.1 Governance

Ramona MWD's governance authority is established under the Municipal Water District Act of 1911 and codified under Water Code Section 71000-73001. This principal act empowers Ramona MWD to provide a moderate range of municipal services upon authorization by LAFCO. Ramona MWD is currently authorized to provide five municipal service functions: potable water; wastewater; fire protection and emergency medical; parks and recreation; and non-potable water (recycled water). The remaining service functions (i.e., powers) enumerated under the principal act are deemed latent and would need to be formally activated by LAFCO at a noticed public hearing and subject to conducting authority proceedings. Similarly, should it ever seek to divest itself of directly providing an active service function, Ramona MWD would also need to seek LAFCO approval at a noticed public hearing. Active and latent functions follow.

Active Service Functions
Potable Water
Wastewater
Fire Protection and Emergency Medical
Non-Potable Water (Recycled Water)
Park and Recreation

Latent Service Functions
Storm Drainage
Solid Waste-Garbage
Hydroelectric-Wind-Solar Power

Governance of Ramona MWD is independently provided by a five-member Board of Directors. Each member of the Board is directly elected by registered voters or – and as needed – appointed by the County of San Diego Board of Supervisors to four-year terms. Each member represents one of five distinct geographical divisions. The Board includes four appointed officer positions: President; Vice President; Treasurer; and Secretary. The Board regularly meets on the second Tuesday of each month at 6:00pm at the Ramona Community Center located at 434 Aqua Lane in Ramona. Directors receive a $100 per diem for each meeting attended. Summary minutes are prepared for all meetings; audio and video recordings are not provided. A current listing of the Board along with respective backgrounds and years served with the District follows.

Board meetings are regularly scheduled each month on the second Tuesday. Board members receive a $100 per diem for each meeting attended.

Ramona MWD
Current Board Roster
Table 5.1a (Source: Ramona MWD)

Member	Position	Division	Years on Board	Background
Jim Hickle	President	Division 2	7 years	Engineer/Manager
Jim Robinson	Vice President	Division 4	20 years	Ramona Parks & Recreation Association
Gary Hurst	Treasurer	Division 5	< 1 year (2020)	Public/Private Sector Director
Jim Piva	Secretary	Division 3	< 1 year (2021)	Business Owner
Jeff Lawler	Director	Division 1	5 years	Finance
			Average Experience on the Board	7 Years

5.2 Administration

Ramona MWD's Administrative Office
105 Earlham Street, Ramona, CA 92065



Photo Credit: Google Maps

Ramona MWD appoints an at-will General Manager to oversee all District activities. Principal duties of the General Manager include preparing an annual budget, supervising senior staff, and serving as a liaison with State and local agencies. The current General Manager – Craig Schmollinger – serves in an interim capacity and oversees a budgeted staff of 48.0 full-time equivalent employees and divided between five municipal divisions: (a) administrative services; (b) engineering; (c) finance; (d) wastewater; and (e) water. Additional details involving contracting services is footnoted.[14] Budgeted staffing has remained at the same staffing levels during the five-year reporting period. Legal services are provided by contract from McDougal, Love, Boehmer, Foley, Lyon & Canlas (La Mesa) and supplemented as needed by Procopio (San Diego).

Ramona MWD
Budgeted Staffing Levels
Table 5.2a (Source: Ramona MWD)

FY2014-2015	FY2015-2016	FY2016-2017	FY2017-2018	FY2018-2019	Average	Trend
48	48	48	48	48	48	0.0%
.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	.05 staff per 1,000 residents	

* Figures represent full-time equivalent (FTE) based on 2,080 hours/year.

6.0 MUNICIPAL SERVICES

Ramona MWD is authorized by LAFCO to provide five distinct municipal service functions in support of current development within its jurisdictional boundary: (a) potable water; (b) wastewater; (c) fire protection and emergency medical; (d) parks and recreation; and (e) non-potable water (recycled). A summary analysis of these active functions follow with respect to capacities, demands, and performance as applicable during the five-year report period.

14 Ramona MWD contracts with CAL FIRE and Dudek for fire protection and engineering services, respectively. Ramona MWD also contracts with Ramona Parks and Recreation Association to oversee community recreation services.

6.1 Potable Water Service

Ramona MWD's potable water services represent the District's primary service function and involves retail class only. Potable water services commenced following Ramona MWD's formation in 1956 and the subsequent construction of an initial distribution system to connect to the County Water Authority's wholesale infrastructure. The distribution system was initially focused on the central Ramona townsite area. The distribution system expanded in conjunction with Ramona MWD becoming successor agency to the Ramona Irrigation District in 1966 and later with the annexation of the San Diego Country Estates in 1970.

Ramona MWD's potable water service is retail class only and currently covers 60% of the jurisdictional boundary. The estimated population in the water service area at the end of the report period totals 25,120.

The water system comprises nearly one dozen lift stations and over 50 pumps to accommodate topography changes and spans approximately 45 square miles – an amount capturing 60% of all lands within the jurisdictional boundary. The distribution system covers eight pressure zones that are connected through approximately 209 miles of distribution lines.[15] The water system tallied 8,970 active connections at the end of the report period with 8,318 – or 93% – classified as residential. It is estimated the resident population within the water service area is 25,120 based on 8,318 residential connections and an average household size of 3.02.

Service Capacities and Related Resources

Ramona MWD is dependent on water supplies imported from the County Water Authority (Bay Delta and Colorado River). The maximum available supply available to Ramona MWD in any one year based on current infrastructure is 23,184 acre-feet.

Ramona MWD's potable water supplies are entirely imported and drawn from the County Water Authority. This imported supply is secured through a membership agreement memorialized at the time of the District's concurrent annexation to the County Water Authority and the Metropolitan Water District of Southern California in 1957. An approximate 1,000-foot uphill transmission line connects Ramona MWD to the County Water Authority's San Diego County Aqueduct byway of the Poway Pump Station. The membership agreement entitles Ramona MWD to purchase for subsequent retailing an unlimited amount of water subject to external (i.e., Bay Delta and Colorado River flows) and internal (i.e., infrastructure) conditions. This latter condition is highlighted by limitations from Ramona MWD's connection points with the County Water Authority via the Poway Pump Station and informs the District estimate that its maximum

15 The distribution system currently has two separate potable transmission connections to the County Water Authority. The distribution system also has one non-potable transmission connection.

daily potable supply is 20.7 million gallons or 63.5 acre-feet. If operating continually, this daily capacity translates to an annual maximum potable supply capacity of 7.555 billion gallons or 23,183.5 acre-feet.[16]

Ramona MWD
Available Potable Water Supplies
Table 6.1a (Source: Ramona MWD)

Direct Source	Maximum Daily Infrastructure Capacity	Maximum Annual Infrastructure Capacity
County Water Authority	20.7 million gallons or 63.5-acre feet	7.6 billion gallons or 23,178-acre feet

Treated water enters Ramona MWD's distribution system from the County Water Authority's transmission line via the Poway Pump Station and supplies eight connected pressure zones within the District. Treated storage is provided by 23 local reservoir facilities with a combined capacity of 25.354 million gallons or 78.0 acre-feet and concurrently maintain pressure in the distribution system.[17]

Ramona MWD has 25.4 million gallons – or 78 acre-feet – of potable storage in its distribution system.

Ramona MWD's potable water services operate as an enterprise fund and funded exclusively from user charges and fees. The average adopted budget expense during the five-year report period has been $17.5 million with the most recent yearly amount totaling $20.2 million. Actual expenses have increased by 16.8% over the corresponding 60-month period while actual revenues have increased 2.3%.

Ramona MWD's actual potable water expenses have increased by 16.8% over the report period while actual revenues have increased 2.3%.

Ramona MWD's potable water rates are set by ordinance and were last updated by the Board in 2019. Potable water charges are billed monthly and include two distinct fees: fixed availability based on meter size and variable commodity based on usage. The average residential customer paid $124 per month based on ending totals in the report period.

16 Ramon MWD is also entitled under its membership agreement with the County of Water Authority to receive raw (untreated) water supplies and available through a separate transmission connection. This secondary supply resource, however, is not utilized by the District given its Barger Treatment Facility remains offline since 2007.

17 Ramona MWD maintains seven non-treated storage reservoirs that can hold up to 41 acre-feet.

Service Demands

Ramona MWD's total average potable water demand production over the five-year report period has been 1.25 billion gallons or 3,826-acre feet annually and equates to a daily use of 10.5 acre-feet. The most recent year-end amount showed total year demand at 1.16 billion gallons and represents an average daily water demand of 3.2 million gallons. The amount is further reduced to the equivalent of 127 gallons per day for every estimated fulltime resident based on a projected resident water service population of 25,120.[18] The average peak-day demand – the highest one-day sum – over the report period was 5.24 million gallons. This latter amount produces an average peaking factor of 1.6 and shows high-demand periods increase usage by more than one-half – or 64%.

Ramona MWD's overall annual water demands have averaged 3,826 acre-feet during the report period and produces an estimated daily per capita use of 139 gallons.

With respect to trends, Ramona MWD experienced an overall change of (6.3%) in potable water demands – or (1.3%) annually – over the five-year report period. The overall change in water demands over the corresponding 60-month period contrasts with the estimated 5.4% increase in population and shows de-intensification of uses. Overall demands and trends generated within Ramona MWD during the report period follows.

Ramona MWD's overall potable water demands as measured by per capita use has changed by (10.4%) over the five-year report period from 142 to 127 gallons. This contrasts with the overall growth rate of 5.4% during the report period and suggests – among other factors – users are de-intensifying their water uses.

Ramona MWD
Potable Water Demands
Table6.1c (Source: Ramona MWD and SD LAFCO)

Category	2015	2016	2017	2018	2019	Average	Trend
Annual Total (AF)	3,813.1	3,722.9	3,903.7	4,116.1	3,572.8	3,825.73	(6.3%)
Average Day Total (AF)	10.45	10.20	10.70	11.28	9.79	10.48	(6.3%)
… Per Resident (G)	141.7	136.8	141.9	147.9	127.0	139.0	(10.4%)
Peak Day Total (AF)	14.63	16.32	16.04	15.78	14.68	15.60	1.0%
… Peaking Factor	1.4	1.6	1.5	1.4	1.5	1.5	7.1%

AF = Acre-Feet
MG = Million Gallons

18 Resident water service population is based on the current number of residential connections (8,318) and the 2016 average household size (3.02).

Service Performance

Ramona MWD has established sufficient potable infrastructure and related capacities and marked – and among other measurements – by the average annual demand over the report period equaling only 17% of accessible supplies under normal conditions.

Ramona MWD's potable water system is operating sufficiently and marked by excess supply and storage capacities in accommodating existing demands based on usage generated during the five-year report period. These capacities are similarly expected to accommodate anticipated demands over the next five-year period with variables – including resiliency during different hydrological periods – having been appropriately evaluated by Ramona MWD in its Urban Water Management Plan, which was most recently updated in 2015.

The following statements summarize and quantify existing and projected relationships between Ramona MWD's capacities and demands now and going forward towards 2024. This includes referencing California's Waterworks Standards (Title 22 of the Code of Regulations) and its requirements that all public community water systems have sufficient source, treatment, and storage capacities to meet peak day demand system-wide and within individual zones. It also addresses water quality and rates.

Water Supply

- The average annual potable demand production generated over the report period for the entire distribution system represents 16.5% of Ramona MWD's accessible maximum treated supply through its connection to the County Water Authority. The average peak-day demand represents 24.6% of the available supply.

Water Storage

- Average peak-day potable demands over the report period for the entire distribution system represents 13.5% of Ramona MWD's existing total potable storage capacity. The total potable storage capacity can separately accommodate up to 7 consecutive days of average day demands generate over the report period without recharge.

Water Quality:

- A review of the records maintained by the State Water Quality Control Board shows there have been no violations issued for drinking water standards to Ramona MWD during the report period. The last violation was issued in 2002 and involved excessive coliform levels and was subsequently cleared.

- Ramona MWD's most recent water quality report was issued in 2019 and shows the results of self-monitoring conducted from January 1 to December 31, 2018. The report is divided into testing for both primary and secondary contaminants as prescribed by the State. No excessive primary or secondary contaminants were identified.

Water Rates

- Ramona MWD ratepayers receive two related charges for potable water service: (a) fixed availability and (b) variable usage.[19] The charges were last updated at the end of the report period in 2019. Based upon the monthly usage calculation detailed in the accompanying footnote, the average monthly charge for residential ratepayers in Ramona MWD is $124 and translates to $1,488 annually.[20]

6.2 Wastewater Services

Ramona MWD's wastewater service operations commenced in 1980 following activation by LAFCO and in conjunction with the District becoming the successor agency to Ramona Sanitation District and its "San Vicente" system. This system spans approximate 3,850 acres at the eastern end of the jurisdictional boundary and serves the San Diego Country Estates development. It is estimated the resident population within the San Vicente service area is 9,464 at the end of the five-year report period. Separately, Ramona MWD operates a second wastewater service area – "Santa Maria" – in conjunction with becoming successor agency to the Mt. Woodson Ranch Sanitation District in 1993. The Santa Maria system presently serves an approximate 6,990-acre area and generally encompasses the Ramona "village" area. It is estimated the resident population within this service area is 15,644. A description of the demands, capacities, and performances within each of the two distinct service areas follows.

Ramona MWD's wastewater service comprises three classes (collection, treatment, and disposal) and within two distinct service areas in the District: "San Vicente" and "Santa Maria." The total wastewater service population at the end of the report period is estimated at 25,108.

19 Ramona MWD also passes through all wholesale water cost increases from the County Water Authority including an infrastructure access charge.

20 The refenced calculation draws on the total residential, or domestic deliveries in 2019 (2,858 AF) and divided that by the number of domestic accounts (8,318) for the year and determined a gross average domestic use for the year, which was .34 AF/per year, or 111,949 gallons. This produces an average daily residential household use of 307 gallons. This represents 12.5 units of water per account per month. This usage, times the 2019 summer treated water rate, and adding the monthly system charge and per unit pumping charge totals $124 per month or $1,488 per year.

San Vicente Service Area

Service Capacities and Related Resources

Ramona MWD's wastewater system in the San Vicente service area comprises collection, treatment, and disposal service and is largely dedicated to the San Diego Country Estates development. The collection system includes approximately 43 miles of gravity lines and conveys sewage to the Ramona MWD's San Vicente Reclamation Facility. The collection system includes 5,169 active connections through the end of the report period and is 99% built out based on current zoning standards.[21] The San Vicente Reclamation Facility provides tertiary-level treatment processes including reverse osmosis with a maximum permit capacity of 0.800 million gallons a day.[22] Treated wastewater is subsequently delivered to the San Vicente Golf Course ponds, where the water is used for irrigation of the golf course and landscaped common areas.

The maximum daily capacity at the San Vicente Reclamation Facility is 0.800 million gallons.

Wastewater services in the San Vicente service area operate exclusively as an enterprise function with daily operations dependent on revenues generated from user charges and fees. The average adopted budget expense during the five-year report period specific to the San Vicente service area has been $2.5 million with the most recent amount at the end of the report period totaling $2.6 million. Actual expenses have increased by 7.1% over the corresponding 60-month period while actual revenues have increased by 29.1%.

Actual expenses in the San Vicente service area have increased by 7.1% over the report period. This amount is 4 times favorably under the corresponding 29.1% increase in actual revenues.

Ramona MWD's wastewater rates for the San Vicente service area were last updated by the Board in October 2019. In 2019, customers were billed the equivalent of a flat $64.02 per month for wastewater service. Charges are collected by annual invoicing included on the customers' property tax bill which is invoiced in two installments. Rates will increase by 1.5% each year through 2023 and will result in a total monthly increase of $3.93 – or $47.14 annually – by 2023.

Customers in the San Vicente service area are charged the equivalent of $64.02 per month for wastewater service in 2019.

21 RMWD Sewer System Management Plan, Revised January 18, 2019.
22 Primary treatment involves separation of solids from the wastewater. Secondary treatment further treats the wastewater by removing dissolved compounds that are measured as Biochemical Oxygen Demand.

Service Demands

Average annual wastewater demands generated within the San Vicente service area during the five-year report period has been approximately 179.0 million gallons. This amount serves as a macro-overview of system demands and represents a daily average flow of 0.490 million gallons. It also translates to an estimated 95 gallons generated daily per service connection. Average daily demands overall have decreased by (3.9%) during the five-year report period.

> The average daily wastewater flows generated during the report period in the San Vicente service area has been 0.490 million gallons and an overall change of (3.9%).

Supplementary micro measurements of recent wastewater demand within the San Vicente service area are summarized and reflected in the proceeding table.

- Average daily dry-weather wastewater flows over the five-year report period within the San Vicente service area have been 0.480 million gallons. This flow typically is recorded between May and October and most recently tallied 0.48 million gallons as of the report term and produces a net 0% change during the 60-month period.

- Average daily wet-weather wastewater flows over the five-year report period within the San Vicente service area have been 0.520 million gallons. This flow typically is recorded between November and April and most recently tallied 0.550 million gallons as of the report term with an overall increase of 1.9% during the 60-month period.

- Average daily peak-day wastewater flows over the five-year report period within the San Vicente service area have been 0.760 million gallons and have increased by 2.6%. The former amount produces a peak-factor relative to average day demands of 1.55.

Ramona MWD
San Vicente Service Area Recent Wastewater Demands
Table 6.2a (Source: Ramona MWD)

Year	Average Average Daily Flows	Average Dry-Weather Flows	Average Wet-Weather Flows	Recorded Peak-Day Flows
2015	0.51	0.48	0.54	0.77
2016	0.48	0.47	0.48	0.71
2017	0.49	0.49	0.53	0.90
2018	0.48	0.48	0.49	0.65
2019	0.49	0.48	0.55	0.79
Average	**0.49**	**0.48**	**0.52**	**0.76**
Trend	**(3.9%)**	**0.0%**	**1.9%**	**2.6%**

Service Performance

Ramona MWD is currently operating with sufficient and excess capacity within its San Vicente service area in accommodating existing estimated user demands generated during the five-year report period *under normal conditions* (emphasis). This statement is substantiated with average day demand during the report period equaling 61% of the permitted treatment and discharge capacity at the San Vicente Reclamation Facility. The capacity consumption, however, increases to 95% based on average peak-day flows during the period. Should the current five-year trend hold, peak-day demands will exceed permitted capacity with the next two years.[23]

Ramona MWD's San Vicente service area is presently operating at 61% in terms of average daily flow relative to capacity consumption. This amount increases to 95% relative to average peak day demand. This latter figure leaves the District susceptible to future infrastructure failures associated with growth and/or added more infiltration and inflow.

With respect to other performance measurements, the following items are noted.

- Ramona MWD currently cleans approximately 221,500 feet of pipe every other year within the San Vicente service area. (Alternates with the Santa Maria system.) This amount represents about 42% of the current collection system and means the entire collection system is on pace to be cleaned every four-years.

- Ramona MWD self-reported to the State Water Quality Control Board a total of three sanitary sewer overflows within the San Vincente service area during the five-year report period. All three spills qualified as Category 3 and means each incident is considered minor and involved less than 1,000 gallons of untreated sewer and none of the spilled wastewater reached surface waters. The last spill occurred on October 27, 2016.

Santa Maria Service Area

Service Capacities and Related Resources

Ramona MWD's wastewater system in the Santa Maria service area consists of collection, treatment, and disposal and largely dedicated to the downtown and surrounding developments in central Ramona. The collection system includes approximately 29 miles of gravity lines and conveys sewage to Ramona MWD's Santa Maria Reclamation Facility. The collection system includes 1,863 active connections through the end of the report

The maximum daily capacity at the Santa Maria Reclamation Facility is 1.0 million gallons.

23 The current five-year trend includes the above average rainfall years of 2017 and 2019. The five-year peak-day demands for normal water years is likely lower.

period and is estimated at 50% built out based on current zoning. The Santa Maria Reclamation Facility provides secondary-level treatment and has a current maximum permit capacity of 1.0 million gallons a day.[24] All treated wastewater is discharged into one of two storage ponds before conveyed to spray fields or treated through the recycled water plant and then used for irrigation. Ramona MWD has one retail customer that is permitted to take recycled water from the Santa Maria Reclamation Facility. This single user has taken roughly 200 acre-feet per year of recycled water during the report period and has an agreement.

Wastewater services in the Santa Maria service area operate exclusively as an enterprise function with daily operations dependent on revenues generated from user charges and fees. The average adopted budget expense during the five-year report period specific to the San Vicente service area has been $2.3 million with the most recent amount at the end of the report period totaling $2.4 million. Actual expenses have increased by 8.6% over the corresponding 60-month period while actual revenues have increased by 76%.

Actual expenses in the Santa Maria service area have increased by 8.6% over the report period. This amount is eight times over the corresponding 76% increase in actual revenues.

Ramona MWD's wastewater rates for the Santa Maria service area were last updated by the Board in October 2019. In 2019, customers were billed the equivalent of a flat $67.12 per month for wastewater service. Charges are collected by annual invoicing included on the customers' annual property tax bill which is then paid in two installments. Rates will increase by 2.0% each year through 2023 and will result in a total monthly increase of $5.54 – or $66.40 annually – by 2023.

Most customers in the Santa Maria service area are charged the equivalent of $67.12 per month for wastewater service.

Service Demands

Average annual wastewater demand in the Santa Maria service area generated during the five-year report period has been approximately 219.0 million gallons. This amount serves as a macro-overview of system demands and represents a daily average flow of 0.600 million gallons. It also translates over the report period to an estimated 322 gallons daily for every service connection. Average daily demands overall during the report period have changed by 10.3%.

The average daily wastewater flows generated during the report period in the Santa Maria service area has been 0.600 million gallons and an overall change of 10.3%.

24 Ramona MWD, About Us – Wastewater Operations. Accessed from https://www.rmwd.org/about-us/wastewater-operations.

Supplementary micro measurements of recent wastewater demands within the Santa Maria service area are summarized and reflected in the proceeding table.

- Average daily dry-weather wastewater flows over the five-year report period within the Santa Maria service area have been 0.570 million gallons. This flow typically is recorded between May and October and most recently tallied 0.60 million gallons as of the report term with an overall change of 2.3% during the 60-month period.

- Average daily wet-weather wastewater flows over the five-year report period within the Santa Maria service area have been 0.670 million gallons. This flow typically is recorded between November and April and most recently tallied 0.83 million gallons as of the report term with an overall change of 43.1% during the 60-month period.

- Average daily peak-day wastewater flows over the five-year report period within the Santa Maria service area have been 1.550 million gallons. This latter amount produces a peak-factor relative to average day demands of 2.58.

Ramona MWD
Santa Maria Service Area Recent Wastewater Demands
Table 6.2b (Source: Ramona MWD)

Year	Average Average Daily Flows	Average Dry-Weather Flows	Average Wet-Weather Flows	Recorded Peak-Day Flows
2015	0.58	0.57	0.58	0.85
2016	0.57	0.54	0.58	1.10
2017	0.63	0.57	0.79	2.78
2018	0.59	0.58	0.58	0.95
2019	0.64	0.60	0.83	2.08
Average	**0.60**	**0.57**	**0.67**	**1.55**
Trend	**10.3%**	**2.3%**	**43.1%**	**144.7%**

Service Performance

Ramona MWD is currently operating with sufficient capacity within its Santa Maria service area in accommodating existing estimated user demands generated during the five-year report period *under normal conditions* (emphasis added). This statement is substantiated with average day demand during the report period equaling 60% of the permitted treatment and discharge capacity at the Santa Maria Reclamation Facility. The capacity consumption significantly increases during

Ramona MWD's wastewater system is presently operating at 60% capacity within the Santa Maria service area under normal conditions. The system – however – is regularly exceeding capacities under high wet periods with an average peak-day factor of 1.6 during the report period and suggest excessive inflow and infiltration is occurring and threatening future and significant spills.

high-rain periods with an average peak-day flow of 55% above capacity during the report period. This latter measurement has also risen by more than double over the corresponding 60-months.

With respect to other performance measurements, the following items are noted.

- Ramona MWD currently cleans approximately 212,600 feet of pipe every other year within the Santa Maria service area. (Alternates cleaning with the San Vicente system.) This amount represents about 40% of the current collection system and means the entire collection system is on pace to be cleaned every four-years.

- Ramona MWD self-reported to the State Water Quality Control Board one sanitary sewer overflow within the Santa Maria service area during the five-year report period. The lone spill qualified as Category 3 (minor) and involved approximately 100 gallons associated with a lateral failure and occurred on August 2, 2016.

6.3 Fire Protection and Emergency Medical Services

Ramona MWD's fire protection and emergency medical services (first responder) commenced in 1981 following formal activation by LAFCO and in conjunction with the District becoming successor agency to the all-volunteer Ramona Fire Protection District. Operations transitioned to the current all-career operations beginning in 1993 in step with Ramona MWD establishing a contract with CAL FIRE and now fully intergraded. Although this report primarily focuses on the provision of fire protection and emergency medical services, most fire agencies are legally responsible, or have chosen to provide, the following services: fire prevention and code enforcement; disaster preparedness and mitigation; public education and community risk reduction; hazardous material response; and rescue response. A description of the demands, capacities, and performances follows.

> Ramona MWD's integrated fire protection and emergency medical service function were inherited in 1981 as successor agency to the Ramona Fire Protection District. This function is further categorized as structural and basic life service classes (BLS), respectively.

Service Capacities and Related Resources

Ramona MWD's fire protection and emergency medical service capacities are primarily dependent on human resources derived from its operations contract with CAL FIRE. The contract began in 1993 and most recently renewed in July 2019 through the end of 2020-2021.

Staffing Levels

The contract with CAL FIRE currently provides Ramona MWD with a minimum of 33 total career public safety personnel including a Battalion Chief, 30 station staff, and two emergency dispatchers at CAL FIRE's Monte Vista Dispatch Center in El Cajon.[25] All public safety personnel are assigned to one of three MWD stations and work two-day shifts (72 hours on and 96 hours off). Daily staffing in MWD is 11 personnel across the three stations plus a Battalion Chief to serve as Incident Commander. All personnel are trained, at a minimum, to provide Basic Life Support (BLS) and each fire engine and ambulance is staffed with at least one member trained to Advance Life Support (ALS) paramedic level. The District also utilizes reserves as needed from the San Diego County FPD – which is separately operated by CAL FIRE through its own County contract. Staffing levels have remained relatively consistent over the five-year report period with a net change of two additional personnel with a 60-month average of 1.12 personnel budgeted for every 1,000 residents.

Ramona MWD
Fire Protection and Emergency Medical Staffing – Budgeted
Table 6.3a (Source: Ramona MWD)

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Public Safety	30	30	29	30	31	30	3.3%
Non-Public Safety	2	2	2	2	2	2	0%
Total	**32**	**32**	**31**	**32**	**33**	**32**	**3.1%**
Per 1,000 Residents	**1.09**	**1.11**	**1.15**	**1.13**	**1.11**	**1.12**	**1.4%**

Facilities and Vehicles

Actual fire protection and emergency medical services are delivered out of three Ramona MWD fire stations based on dispatch from CAL FIRE. All fire related facilities and vehicles are owned by MWD. Current station location, staffing, and vehicles assigned details follow.

- Station No. 80 is located in downtown Ramona at 829 San Vicente Road. This station typically responds to most dispatched calls assigned to MWD with an average onsite response demand of 5.51 calls per day – or 51.8% of the daily total District demand – during the five-year report period. There are currently 15 public safety personnel assigned to Station No. 80 (5 personnel per shift) including one paramedic fire engine with 3 personnel and a paramedic ambulance with 2 personnel.

25 Ramona MWD maintains a separate contract with the San Diego County Fire Protection District (FPD) to provide building construction plan checks and fire prevention annual business inspections.

- Station No. 81 is located in the San Diego County Estates development at 24462 San Vicente Road. This station typically responds to the lowest number of dispatched calls assigned to MWD with an average onsite response demand of 2.31 calls per day – or 21.7% of the daily total District demand – during the five-year report period. There are currently 12 public safety personnel (4 personnel per shift) for one paramedic fire engine with 2 personnel and a paramedic ambulance with 2 personnel, assigned to Station No. 81.

- Station No. 82 is located immediately outside downtown Ramona along Highway 67 at 3410 Dye Road. This station typically responds to the second most number of dispatched calls assigned to MWD with an average onsite response demand of 2.82 per day – or 26.5% of the daily total District demand – during five-year report period. There are currently 4 public safety personnel (2 personnel per shift) for one paramedic fire engine assigned to Station No. 82. One reserve fire engine and ambulance are located at this station as well.

Budget Considerations

Ramona MWD's fire protection and emergency medical services operate as a hybrid general-enterprise operation. The initial intention was for all fire related services to operate as an enterprise and funded through a special assessment that involves an annual fee for each equivalent dwelling unit within the District. This special assessment, however, has not been increased since 1995. This has resulted in the District becoming increasingly dependent on property taxes to cover fire related costs and paired with ambulance charges accounting for more than 50% of all revenues.

Ramona MWD's fire protection and emergency medical services are dependent on three distinct revenue sources: property taxes, special assessments; and ambulance charges. The portion of property tax used for fire protection and emergency medical equals 32.22% of all property tax monies expended by the District during the report period.

Ramona MWD
Funding Sources Exclusive of Property Tax and Transfers – Budgeted
Table 6.3b (Source: Ramona MWD)

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Fire EDU	$2,667,369	$2,692,820	$2,692,820	$2,715,442	$2,700,172	$2,693,725	1.2%
Ambulance Fees	$645,000	$837,695	$923,000	$1,000,000	$1,150,000	$911,139	78.3%
Fire Pre / Fire Resp Fees	$20,000	$42,000	$25,000	$35,000	$33,000	$31,000	65.0%
Subscription	$9,000	$10,000	$10,000	$7,000	$7,000	$8,600	(22.2)%
Earnings	$2,000	$2,000	$2,600	$13,000	$35,000	$10,920	1650.0%
Total	**$3,343,369**	**$3,584,515**	**$3,653,420**	**$3,770,442**	**$3,925,172**	**$3,655,384**	**17.4%**

The percentage of property tax allocated to fire protection ranged from a low of 22.39% in FY 15 to a high of 45.3% the next fiscal year. The average over the reporting period is 32.22%.

Ramona MWD
Property Tax Allocation – Fire and EMS
Table 6.3c (Source: Ramona MWD)

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Fire Protection	1,250,000	2,465,000	2,250,810	1,750,000	1,750,000	1,893,162	40.0%
Total Property Tax	5,583,882	5,441,992	5,851,974	6,209,794	6,533,532	5,924,235	17.0%
Percent of Property Tax allocated to Fire	**22.4%**	**45.3%**	**38.5%**	**28.2%**	**26.8%**	**32.0%**	**19.7%**

Fire Protections and EMS expenses are summarized in the table below:

Ramona MWD
Fire Protection and EMS Budget
Table 6.3d (Source: Ramona MWD)

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
CDF – Schedule A	$5,152,797	$5,654,769	$5,559,212	$5,578,381	$6,187,583	$5,626,546	20.1%
CDF – Schedule C & IF	$444,392	$469,662	$403,540	$522,790	$543,614	$476,800	22.3%
Total	**$5,597,189**	**$6,124,421**	**$5,962,752**	**$6,101,171**	**$6,731,197**	**$6,103,346**	**20.3%**
Cost per Resident (19')	**$153**	**$167**	**$163**	**$167**	**$184**	**$167**	**20.3%**

- CDF – Schedule A represents to the budgeted cost of the contract for fire and emergency medical service with CAL FIRE.
- CDF – Schedule C and IF (Internal Fund Transfers) represents the internal, RMWD, costs attributed to fire and EMS beyond the contact.

The average adopted budget expense during the five-year report period for fire protection and emergency medical has been $6.103 million with the most recent amount at the end of the report period totaling $6.731 million. Actual expenses have increased by 20.26% over the corresponding 60-month period while actual revenues (non-property tax) have increased by 17.4% from $3.343 million to 3.925 million.

Actual expenses for fire protection and emergency medical increased by 20% over the report period while actual revenues (less property taxes) have increase by 17%.

Service Demands

Overall service demands for fire protection and emergency medical services from Ramona MWD during the five-year report period have averaged 2,847 dispatched calls annually or 7.8 daily. Approximately one-tenth – or 9.57% – of all dispatched calls during this period were canceled and resulted in onsite arrivals averaging

Onsite incidences for Ramona MWD have increased in four of the five years during the report period with an overall change of 10.33.%. The average number of onsite incidents assigned to MWD has been 7.04 each day.

2,570 annually or 7.04 daily. Overall, onsite incidences for Ramona MWD have increased by 10.33% with a peak daily demand of 7.5 per day in 2017-2018. Automatic and mutual aid responses out of the District average one response every three days and does not appear to have a significant impact on the service delivery system.

A breakdown of actual onsite arrivals show Ramona MWD responded to 94.9% of all incidents during the report period within its jurisdictional boundary. The breakdown also shows Ramona MWD responded exclusively to 89.38% of actual onsite incidents within its jurisdiction. Conversely, 4.71% of onsite incidences in the jurisdictional boundary were responded exclusively by one or more outside agencies, although the percentage has increased over the report by more than one-fourth. The following table summarizes annual calls and onsite arrivals – including agency responders – as well as trends during the corresponding 60-month period.

Ramona MWD
Fire Protection and EMS Demands
Table 6.3e (Source: CAL FIRE & Ramona MWD)

Category	FY2015	FY2016	FY2017	FY2018	FY2019	Average	Trend	...
Total Dispatched Incidents	2,668	2,766	2,755	3,041	3,006	2,847	12.7%	Increase
Total Cancelled Calls	239	258	241	298	326	272	36.4%	Increase
Total Onsite Responses	2,429	2,508	2,514	2,743	2,680	2,575	10.3%	Increase
-Responded by Ramona Only	2,233	2,273	2,175	2,422	2,404	2,301	7.7%	Increase
-Responded by Poway and Others	125	139	140	188	169	152	35.2%	Increase
-Responded by Other Agencies Only	71	96	199	133	107	121	50.7%	Increase

Automatic and Mutual Aid

Ramona MWD's fire protection and emergency medical service capacities are augmented by maintaining reciprocal aid agreements with surrounding jurisdictions as well as participating in the California State Fire & Rescue Mutual Aid System and San Diego County's master agreement for automatic aid known as Boundary Drop.

At the request of LAFCO, the District has identified the automatic aid agreements most frequently exercised over the five-year report period and assign volume categories – less than 10, greater than 10 and less than 25, greater than 25 and less than 50, and greater than 50 – relative to importing (received) and exporting (provided) resources annually.

- CAL FIRE: more than 50 received per year
- San Diego County FPD: more than 50 a year both received and given
- Cleveland National Forest: less than 10 a year received

- Barona Fire: less than 10 a year received and given
- City of San Diego: less than 10 a year received and given
- City of San Diego: less than 10 a year received and given

In the aggregate, Ramona MWD receives more automatic aid and mutual aid assistance from outside agencies than it provides based on trends during the five-year report period. The primary driver of the automatic aid into the District are the responses by CAL FIRE augmenting the vegetation fire response to State Responsibility Areas within the District.

Service Performance

Insurance Services Office (ISO) Public Protection Classification Rating (PPC)

In 2000, Ramona MWD completed the evaluation of structural fire protection capabilities and received a Class 4/9 designation by the Insurance Services Office (ISO). The ISO classifications are designed to evaluate a fire department's ability to protect local communities. Fire departments use the data to help measure the effectiveness of their fire-protection services, and insurance companies use it when establishing premiums for fire insurance. A Class 1 rating generally represents superior property fire protection and can lower the price of insurance within a community. The Public Protection Classification Rating of 4 is for those areas of Ramona within 5 road miles of the existing three fire stations. Of the 890 fire agencies in California rated by ISO, this is an average score. The rating of 9 is for those areas outside the five-road mile zone and is below average but not unusual in rural communities.

Response Time Standards

Although there are no formal response time standards in the in the contract between Ramona MWD and Cal Fire, they do monitor and report their performance against the County Fire's adopted response time standards. These standards are based on the County's General Plan, Safety Element, and utilizes the approved land use designation to determine potential population density. There are three categories present within MWD: Urban with a 5-minute travel time requirement; Rural with a 10-minute travel time requirement; and Outlying with a 20-minute travel time requirement. The San Diego Country Estates and the Downtown Ramona core are all urban designations with the majority of the remainder considered rural. The following is a breakdown in response time compliance with the standard.

Ramona MWD
District Response Time
Table 6.3f (Source: Ramona MWD)

Category	FY2015	FY2016	FY2017	FY2018	FY2019	Average	Trend
Response Time Compliance	78.6%	82.1%	83.0%	84.6%	83.4%	82.3%	6.1%
Response Time Percentile	0:08:17	0:08:13	0:08:09	0:07:52	0:08:16	0:08:09	0.2%

Considering that call volume has increased by approximately 10% over the five-year report period and the average response time improved – albeit slightly – it appears the capacities of Ramona MWD through CAL FIRE as measured by staffing and equipment are sufficiently sized to readily accommodate existing demands relative to local conditions. The sufficiency is quantified with the Ramona MWD stations responding exclusively to nearly ninety percent of all onsite incidents within the five-year report period and the relatively low dependency on outside agencies during the report period with an average of only 5 out of 100 onsite incidents necessitating aid-only responses. Additionally, the Ramona MWD Fire Chief (via CAL FIRE) states the District's automatic responses with surrounding agencies are balanced with no agency receiving more than it provides and no areas in the District are dependent on outside agency response for consistent coverage.

Related Observations:

1. Ramona MWD should consider engaging ISO to re-rate MWD's fire protection services and utilize their findings to guide future planning decisions.

2. Ramona MWD should consider engaging an outside agency to produce a Standards of Cover / Deployment Survey to identify areas in MWD that may require additional resources to shorten response time and increase the effective firefighting force.

3. Ramona MWD should consider adopting response time standards with desired time dependent benchmarks and making these parts of the contract language with CAL FIRE as there appears to be room for improvement in this area.

4. Ramona MWD should develop a vegetation management plan to mitigate the wildfire risk to the community. Further, a comprehensive review of community disaster risk should be completed and submitted to the County Office of Emergency Services for review and inclusion in the County's Multi-Jurisdictional Hazard Mitigation Plan.

5. Ramona MWD should assure that any contract with the San Diego County FPD for the provision of code enforcement functions includes language consistent with SB 1205 regarding the number of annual inspections performed as a percentage of the total annual inspections required.

6. Notwithstanding the preceding observations, Ramona MWD should consider a voluntary consolidation to turn over its fire protection and emergency medical responsibilities to the San Diego County FPD. All indications are that this type of reorganization would increase services to MWD residents (adding personnel to Stations 81 and 82 to provide three personnel per paramedic fire engine) and possibly shield the ratepayers from additional cost increases.

6.4 Park and Recreation

Ramona MWD's park and recreation services commenced in 1975 following formal activation by LAFCO and covers the entire jurisdictional boundary. Activation was requested by Ramona MWD to increase parklands and provide related recreational services given limited County amenities in the community.[26] All park and recreation services are operated contractually by the 501(c)(3) non-profit Ramona Parks and Recreation Association since 1994 and presently divided between two broad categories: community parks and rental facilities.[27]

Ramona MWD's park and recreation service function involves community parks and rental facilities and operate by contract with the Ramona Parks and Recreation Association (501(c)(3)).

Service Capacities and Related Resources

Ramona MWD operates a 166-acre community park – known as Wellfield Park – and Lake Ramona. Wellfield Park is located along Elm and Aqua Streets and immediately adjacent to the Ramona MWD's administrative office. It is a multi-use site open to all of the public and includes a fairgrounds facility, rodeo arena, outdoor event pavilion, and multiple athletic fields for both youth and adult sports programs. An approximate 8,000-square foot community center is also part of the Wellfield Park site and provides senior programs and acts as an evacuation center during emergencies. Wellfield Park is the home for many community events throughout

Wellfield Community Park
North End | Elm Street at Cedar Street



Photo Credit: Google Maps

26 At the time of the activation, notably, the community had one 8.4-acre public park (Collier County Park) and reflected a ratio of 1.1 acres for every 1,000 residents and below the County standard of 5.0 acres for every 1,000 residents.
27 The Ramona Parks and Recreation Association hold monthly meetings on the third Tuesday at the Ramona Community Center unless otherwise noted.

the year and marked by cross-country events and the annual Ramona Rodeo, which draws visitors from all over the west and accomodated by a 4,000-seat arena. Lake Ramona is located between the City of Poway and Ramona. It was built by Ramona MWD in the 1980's to serve as a clear water reservoir. Lake Ramona today primarily is used as a recreational site for residents interested in fishing and hiking through the Blue Sky Ecological Reserve.

Ramona MWD offers a variety of rental services headlined by making available amenities at Wellfield Park, including softball fields, rodeo arena, and community center rooms. Rental charges range in scope from $15-$20 per hour for community center rooms to $200 per month for various park fields. Several local community groups regularly reserve weekly spaces and include all of the following organizations:

- Ramona Adult Softball League
- Ramona Junior Fair
- Ramona Sports Association/ Pony Baseball
- Ramona Soccer League
- Ramona Outdoor Community Center
- Ramona Girls Softball
- Ramona Pop Warner
- Ramona Valley Presbyterian Church
- Ramona Senior Center

Most of the funding resources for Ramona MWD's park and recreation service function is drawn from a special assessment – "District A" – approved by voters in the 1970's. District A involves a special assessment per parcel and generated an annual average of $130,000 during the five-year report period and equaled 53% of total budgeted revenue. The remaining 47% of budgeted funding during the review period involved general property taxes. User fees and charges collected for park services are conducted by the Ramona Parks and Recreation Association (RPRA) through an existing 1994 agreement with RMWD. The agreement provides supplemental operating income for RPRA to manage the park outside of the District property tax revenues.

More than one-half of Ramona MWD's park and recreation service function is funded through a special parcel assessment – "District A."

Service Analysis and Performance

Ramona MWD's current available parkland produces a ratio of 4.7 acres for every 1,000 residents. This ratio is substantially above the baseline standard established by the State of California for local communities under the Quimby Act, which specifies 3.0 park acres for every 1,000 residents. Nonetheless, an additional 189 parkland acres would need to be added to meet the policy goal of the County of San Diego in providing 10 park acres for every 1,000 residents. Existing facilities appear to be in generally good condition with the exception of the community center which currently has minor roof leaks. Other upcoming repair and/or replacement needs include rodeo arena bleachers replacement and park well water pumping equipment repairs.[28] There is currently no capital improvement program (CIP) guiding park and recreation services.

Ramona MWD's current community park resources translates to 4.7 acres for every 1,000 residents and is more than one-half – or 56% - above the baseline parks to resident ratio established by the State.

6.5 Recycled Water Service

Ramona MWD's recycled water services are synced to its wastewater treatment operations at both the San Vicente and Santa Maria Reclamation Facilities and commenced in 1987 and 1999, respectively. Both facilities produce disinfected tertiary recycled water supplies , which is authorized for a wide range of uses from landscaping to groundwater recharging.[29] The recycled water generated by the two facilities are currently retailed to neighboring golf courses (San Vicente Golf Course and the Mt. Woodson Golf Course) for irrigation. The treatment facility at San Vicente can produce a maximum of up to 0.792 million gallons of tertiary recycled water per day and has a storage capacity of 70-acre feet. The treatment facility at Santa Maria can produce a maximum of up to 0.350 million gallons of tertiary recycled water per day and does not have storage capacity on-site.

Ramona MWD
Recycled Water Services
Table 6.5a (Source: Ramona MWD)

Category	San Vicente Service Area	Santa Maria Service Area
Supply Type	Disinfected Tertiary	Disinfected Tertiary
Supply Capacity (Daily)	0.792 million gallons	0.350 million gallons
Storage Capacity	70-acre feet	N/A[30]
Number of Active Connections	One – (San Vicente Golf Course)	One – (Mt. Woodson Golf Course)
Average Demand (Daily) *	0.209 million gallons	0.166 million gallons
User Cost	$1,013 per acre foot	$1,741 per acre foot

28 The Ramona Parks and Recreation Association would also like to look into other options, such as solar, for providing power to the community center as utility costs have increased greatly.
29 Groundwater recharge requires additional permit approval by the State Water Resources Control Board.
30 The Santa Maria Treatment Facility does not have any recycled water storage capacity on-site. Recycled water is sent to the customer upon treatment and to required standards.

7.0 FINANCES

7.1 Budget Information

Ramona MWD's average actual operating expense during the five-year report period was $30.353 million.[31] This amount represents the combined actual costs within four distinct funds – Water, Fire & Emergency Medical, Wastewater, and Parks – that collectively cover day-to-day expenses for the District. The actual operating expense at the end of the report period (2018-2019) totaled $32.400 million with the Water Fund representing the largest single apportionment made by the Board at $21.082 million. Overall, actual operating expenses increased by one-eighth or $3.665 million over the corresponding 60-month period.

Ramona MWD's actual operating expenses at the end of the five-year report period was $32.4 million and represents a 12.8% overall increase over the 60-month period. The per capita expense similarly increased from $816.80 to $882.59.

Ramona MWD
Operating Funds: Actual Expenses
Table 7.1a (Source: Ramona MWD)

Fund Type	2014-2015 Actual	2015-2016 Actual	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	Average	Trend
Water	$17,884,780	$17,122,968	$18,169,155	$23,480,743	$21,082,031	$19,547,935	17.9%
Fire & EMS	$5,493,971	$5,552,726	$5,259,897	$5,673,421	$5,915,806	$5,579,164	7.7%
Wastewater	$5,181,769	$5,539,723	$4,543,911	$4,831,118	$5,272,204	$5,073,745	1.7%
Parks	$174,697	$179,022	$131,858	$143,822	$130,000	$151,880	-25.6%
Total	**$28,735,217**	**$28,394,439**	**$28,104,821**	**$34,129,104**	**$32,400,041**	**$30,352,724**	**12.8%**
Per Capita	**$816.80**	**$798.57**	**$782.06**	**$939.64**	**$882.59**	**$843.93**	**8.1%**

Ramona MWD's average actual operating revenue during the five-year report period was $27.584 million. The primary revenue source is drawn from enterprise functions (water and wastewater) ranging from user charges to ancillary fees. The actual operating revenue at the end of the report period (2018-2019) totaled $27.789 with the Water Fund representing the largest single source at $16.739 million. Overall, actual operating revenues increased by nearly one-tenth or $1.692 million over the corresponding 60-month period.

Ramona MWD's operating budget at the end of the five-year report period specific to revenues totaled $27.584 million and represents a 6.5% overall increase over the 60-month period.

31 Ramon MWD's average total budget during the report period was $30.7 million and includes non-operating funds for debt, capital improvement, and capital improvement.

Ramona MWD
Operating Funds: Actual Revenues
Table 7.1b (Source: Ramona MWD)

Fund	2014-2015 Actual	2015-2016 Actual	2016-2017 Actual	2017-2018 Actual	2018-2019 Actual	Average	Trend
Water	$16,745,133	$16,153,273	$17,711,296	$18,784,483	$16,739,262	$17,226,689	0.0%
Fire & EMS	$3,716,428	$3,858,528	$3,996,650	$4,039,303	$3,991,402	$3,920,462	7.4%
Wastewater	$5,635,705	$6,050,625	$6,581,808	$6,858,271	$7,058,729	$6,437,028	25.3%
Total	**$26,097,266**	**$26,062,426**	**$28,289,754**	**$29,682,057**	**$27,789,393**	**$27,584,179**	**6.5%**
Per Capita	**$741.82**	**$732.98**	**$787.20**	**$817.20**	**$756.99**	**$767.24**	**2.0%**

7.2 Financial Statements

Ramona MWD regularly contracts with an outside accounting firm to prepare an annual report to review the District's financial statements in accordance with established governmental accounting standards. This includes auditing Ramona MWD's statements with respect to verifying overall assets, liabilities, and net position. These audited statements provide quantitative measurements in assessing Ramona MWD's short and long-term fiscal health with specific focus on delivering its activated service functions. The current outside consultant is Squar Milner LLP (San Diego).

Ramona MWD's most recent financial statements for the five-year report period were issued for 2018-2019. These statements show Ramona MWD experienced a modest improvement over the prior fiscal year as the overall net position (full accrual basis) increased by 2.8% from $102.2 million to $105.1 million and primarily attributed to a net total surplus. The accompanying auditor's report did not identify any material weaknesses or related accounting concerns. A detailing of year-end totals and trends during the report period follows with respect to assets, liabilities, and net position.

Most Recent Year-Ending Financial Statements (2018-2019)	
Assets	125,167,623
Liabilities	22,079,663
Deferred Outflow/Inflow	2,023,888
Net Position	**$105,111,848**
Adjusted Net Position (Less pension liabilities)	$116,632,487

Agency Assets

Ramona MWD's audited assets at the end of 2018-2019 totaled $125.2 million. This amount is 7.7% higher than the average year-end amount of $116.3 million in total assets documented during the five-year period. Assets classified as current with the expectation they could be liquidated within a year represented $52.7 – or 42% – and largely tied to cash and investments. Assets classified as non-current and not readily liquid make up the remainder and total $72.4 million and involve capital assets with $50.3 million tied to property, infrastructure, and equipment. Overall, Ramona MWD's total audited assets increased by $19.0 million or 17.9% over the corresponding 60-month period.

> Ramona MWD's audited assets over the five-year report period increased by 18% and primarily tied to investments in new equipment.

Ramona MWD
Audited Assets
Table 7.2a | Source: Ramona MWD

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Current	39,454,007	41,064,342	47,790,728	50,648,167	52,739,621	46,478,697	34.7%
Non-Current	66,743,121	67,915,864	69,144,967	72,380,080	72,428,002	69,726,031	8.5%
Total	**106,197,128**	**109,980,206**	**116,935,695**	**123,028,247**	**125,167,623**	**116,261,041**	**17.9%**

Agency Liabilities

Ramona MWD's 2018-2019 audited liabilities totaled $22.1 million. This amount is 11% higher than the average year-end amount of $19.9 million in total liabilities documented during the five-year period. Liabilities classified as current with the expectation they will become due within a year represented $6.7 million – or 30% – and largely tied to scheduled deposits.[32] Liabilities classified as non-current and considered longer termed debts and make up the remainder of the total amount with the largest single obligation tied to San Vicente Road Pipeline Relocation Project ($4.2 million). Overall, Ramona MWD's total audited liabilities increased by $4.0 million or 22% over the corresponding 60-month period.

Ramona MWD's audited liabilities over the five-year report period increased by 22% and primarily tied to infrastructure debts.

Ramona MWD
Audited Liabilities
Table 7.2b | Source: Ramona MWD

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Current	3,741,340	3,469,023	4,817,489	7,677,552	6,675,889	5,276,259	78.4%
Non-Current	14,158,102	12,387,956	14,731,101	16,096,465	15,403,774	14,555,480	8.8%
Total	**18,095,949**	**15,856,979**	**19,548,590**	**23,774,017**	**22,079,663**	**19,871,040**	**22.0%**

Net Position

Ramona MWD's audited net position or equity at the end of 2018-2019 totaled $105.1 million and represents the difference between the District's total assets and total liabilities along with adjusting for deferred resources (i.e., pension outflows and inflows). This most recent year-end amount is 7.7% higher than the average year-end sum of $97.6 million during the five-year report period and shows upward trajectory. Most of the net position – $56.5 million – is tied to capital assets. The remainder is largely comprised of

Ramona MWD's audited net position has increased over the five-year report period by 12% from $86.9 million to $105.1 million.

32 Ramona MWD was able to pay off a Farmers Home Administration Note Payable, in early 2018, for water distribution, storage and related facilities acquisition and construction. Currently, the District has an Installment Purchase Agreement with J.P. Morgan Chase. This agreement was entered into in May 2014 to finance the San Vicente Road Pipeline Relocation Project for $4,808,000. Payments are due through October 2029.

unrestricted monies that can be used to finance day to day operations without outside constraints. Overall, Ramona MWD's audited net position increased by $18.3 million or 12.4% over the corresponding 60-month period.

Ramona MWD
Audited Net Position
Table 7.2c | Source: Ramona MWD

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Average	Trend
Invested in Capital	60,701,469	63,386,547	64,766,485	55,823,858	56,542,526	60,244,177	-0.8%
Restricted	281,565	0	0	0	0	56,313	-80.0%
Unrestricted	25,870,374	30,367,959	35,448,116	46,420,076	48,569,322	37,335,169	44.3%
Total	**86,853,408**	**93,754,506**	**100,214,601**	**102,243,934**	**105,111,848**	**97,635,659**	**12.4%**

As referenced above, the unrestricted portion of Ramona MWD's net position as of the last audited fiscal year totaled $48.6 million and represents the accrued spendable portion of the fund balance and only subject to discretionary designations (commitments and assignments). This amount represents 18 months of Ramona MWD's normal operating expenses and increases to 19 months when adjusted to exclude booked pension and benefit liabilities based on actual in 2017-2018.

Ramona MWD's unrestricted fund balance at the end of the report period is sufficient to cover 18 months of normal operating expenses.

7.3 Measurements | Liquidity, Capital, and Margin

LAFCO's review of the audited financial statement issuances by Ramona MWD covering the five-year report period shows the District experienced mixed trends in the standard measurement categories – liquidity, capital, margin, and structure – utilized in this document. Positive trends are marked by Ramona MWD improving its days' cash during the report period by 16.8% to over 600 days. Negative trends are marked by declining margin levels with year-end deficits in operating margin in four of the five years. A summary of these standard measurements follows and further detailed in the associated table.

Standard measurements used to assess the Ramona MWD's financial standing shows the District trended negatively in most categories during the report period and most notably in margin levels.

Ramona MWD
Financial Measurements
Table 7.3 | Source: San Diego LAFCO

Fiscal Year	Current Ratio	Days' Cash	Debt Ratio	Debt to Net Position	Total Margin	Operating Margin	Operating Reserves Ratio	Equipment Replacement
2014-2015	10.0	521.9	19.0%	18.9%	10.1%	(10.1)%	118.3%	22.7
2015-2016	12.1	592.2	15.2%	14.2%	13.2%	(9.0)%	129.1%	22.0
2016-2017	9.9	639.9	16.6%	15.1%	18.1%	0.7%	158.8%	25.1
2017-2018	6.6	559.9	19.6%	16.8%	5.8%	(14.98)%	166.8%	22.4
2018-2019	7.9	609.5	18.3%	16.0%	7.4%	(16.6)%	180.9%	25.2
Average	9.3	584.7	18.0%	16.0%	10.8%	(10.0)%	150.8%	23.5
Change	(21.1%)	16.8%	(3.5)%	(15.0)%	(26.4)%	64.1%	52.9%	10.7%
Trend	Negative	Positive	Negative	Positive	Negative	Negative	Positive	Negative

Current Ratio (Liquidity)
Compares available assets against near-term obligations; means for every dollar in liability the agency has one dollar available to pay.

Days' Cash (Liquidity)
Measures the number of days the agency can fund normal operations without any new cash income.

Debt Ratio (Capital)
Measures the relationship between the agency's total assets and liabilities; the higher the ratio the more susceptible the agency is to long-term cash flow stresses.

Debt to Net Position (Capital)
Measures the amount of long-term debt or borrowing of the agency against its accumulated net worth; an appropriate maximum standard threshold is 50%.

Total Margin (Margin)
Measures the bottom line of the agency with respect to comparing all revenues to all expenses.

Operating Margin (Margin)
Measures the relationship between core operational revenues and expenses and excludes one-time transactions, like grants and loans.

Equipment Replacement Ratio (Structure)
Measures the average age of depreciable equipment and facilities; the lower the number the younger the infrastructure with the assumption therein better efficiencies/effectiveness.

7.4 Pension Obligations

Ramona MWD provides a defined benefit plan to its employees through an investment risk-pool contract with the California Public Employees Retirement System (CalPERS). This pension contract provides employees with specified retirement benefits based on the date of hire and placement in one of three category types: "public safety," "classic," and "non-classic." Additional pension details based on actuarial valuations issued by CalPERS during the five-year report period with respect to formulas, enrollees, contributions, and funded status follows.

Pension Formulas and Enrollees

The last annual valuation issued during the five-year report period followed 2018-2019 and identified 222 total participants within Ramona MWD's pension program with CalPERS. This total represents a net increase of four enrollees during the 48-month period in which information is readily available dating back to 2015-2016. The total is also divided between enrollee type (i.e., active, separated, transferred, and retired) and produces a negative employee-to-retiree ratio of 0.68 to 1.0. A summary of benefits for all three category types follows.

Ramona MWD finished the report period with 222 enrollees within its pension program with CalPERS. More than two-thirds of all enrollees receive a defined benefit formula of 3.0% at 60.

- Classic miscellaneous employees have start dates before January 1, 2013 and represent the largest portion of Ramona MWD's retirement program at 71.6% – or 159 – of total enrollees. These employees receive a defined benefit based on a 3.0% at 60 formula.

- Non-classic miscellaneous employees have start dates after January 1, 2013 and represent the smallest portion of Ramona MWD's retirement program at 0.7% - or 16 – of total enrollees. These employees receive a defined benefit based on a 2.0% at 62 formula.

- Public safety employees account for the remaining 21.2% – or 47 – of the total enrollees and receive a 2.0% at 50 pension formula. This formula is a remnant of Ramona MWD previously providing direct fire protection services through its own employees.

Ramona MWD
Pension Enrollee Information
Table 7.4a | Source: CalPERS and SD LAFCO

Type	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Trend
Active	n/a	101	96	93	90	(10.9%)
Non-Active	n/a	117	123	129	132	12.8%
Total Enrollees	**n/a**	**218**	**219**	**222**	**222**	**1.8%**
Active to Non-Active Ratio	**n/a**	**0.86 to 1.0**	**0.78 to 1.0**	**0.72 to 1.0**	**0.68 to 1.0**	**(20.9%)**

Annual Contributions

Ramona MWD's total annual pension contribution in the most recent valuation issued at the end of the five-year report period in 2018-2019 tallied $1.2 million. This contribution equals 29.9% of the corresponding payroll total and reflects a decrease of (13.1%) during the corresponding 48-month period and attributed to changing discount rates.

Ramona MWD's pension contribution as of the last annual valuation equaled 30% of payroll.

Ramona MWD
Annual Pension Contributions
Table 7.4b | Source: Ramona MWD and SD LAFCO

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Trend
Total Contribution	n/a	$1,255,719	$937,629	$1,014,043	$1,187,209	(5.5%)
Percent of Payroll	n/a	34.4%	25.7%	26.5%	29.9%	(13.1%)

Funding Status

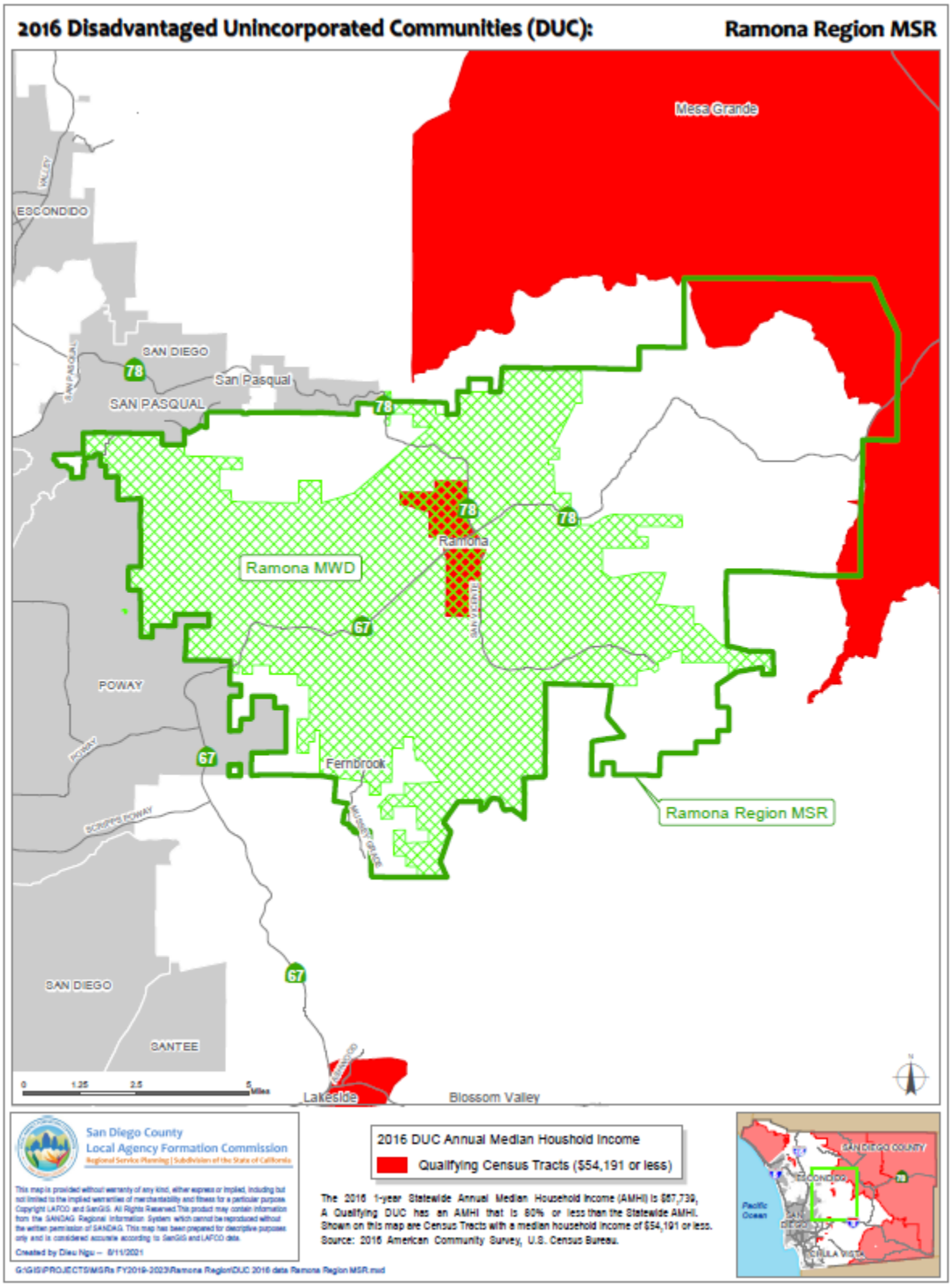
Ramona MWD's total and composite unfunded liability in the most recent valuation issued during the five-year report period totaled $12.6 million (2018-2019). This amount reflects the accrued pension monies owned to all employees and not covered by assets and translates to a composite funded ratio of 80.5% based on market value. Overall, Ramona MWD's funded ratio has decreased by (0.9%) during the 48-month period in which information is readily available and generated by a net increase of $2.3 million in additional unfunded liability.

Ramona MWD's combined funded ratio as of the last annual valuation is 80.5%. This ratio has slightly decreased overall by (0.9%) during the corresponding 48-month period.

Ramona MWD
Pension Funding Status
Table 7.4c | Source: CalPERS

Category	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Trend
Pension Assets (MVA)	n/a	$44,841,453	$47,791,340	$50,240,648	$51,866,418	15.7%
Pension Liabilities (AL)	n/a	$55,186,431	$57,702,607	$62,134,525	$64,433,489	16.7%
Unfunded Liability	n/a	$10,344,978	$9,911,267	$11,893,877	$12,567,071	21.5%
Funded Ratio	n/a	81.3%	82.8%	80.9%	80.5%	(0.9%)

Appendix A
Disadvantaged Unincorporated Communities (DUC) Map



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Appendix B
Document Sources

Outside Sources

San Diego County Auditor and Controller
San Diego County Fire Authority
San Diego County Water Authority
City of Poway

Agency Contacts

Ramona Municipal Water District
Craig Schmollinger, Chief Financial Officer
David Barnum, General Manager
Joe Lomeli, Water Operations Manager
Tim Clement, Administrative Services Manager

Ramona Parks and Recreation Association
Dawn Perfect, Executive Director

CALFIRE
Carl Schwettmann Jr., Central Division Chief
Geoffrey Pemberton, Deputy Chief - North Operations
Jenna Lee, Data and Policy Analyst
Jeremy Snyder, Fire Chief

Websites

American Community Survey / Demographic Information
www.census.gov

California Integrated Water Quality System
www.ciwqs.waterboards.ca.gov

California Public Employees Retirement System / Local Agency Pension Information
www.calpers.ca.gov

Environmental Systems Research Institute
www.esri.com

Ramona Municipal Water District
https://www.rmwd.org/

Registrar of Voters
https://rov.sandiegocounty.gov/rov/Eng/Past.html

San Diego History Center
https://sandiegohistory.org/

Publications / Documents

County of San Diego General Plan and Adopted Community Plans
Ramona Municipal Water District -- 2015 Urban Water Management Plan Update
Ramona Municipal Water District -- Annual Financial Reports 2014 - 2019
Ramona Municipal Water District – Annual Budgets 2014 - 2019
Ramona Municipal Water District -- San Vicente Water Reclamation Plant and Collection System Facilities Plan, June 2018
Ramona Municipal Water District -- Santa Maria Water Reclamation Plant and Collection System Facilities Plan, June 2018
Ramona Municipal Water District -- Rates and Fees, October 2019
San Diego LAFCO Background Files and Agency Questionnaires
San Diego Regional Agricultural Water Management Plan (RAWMP)

A complete source list is available by contacting San Diego LAFCO.

Municipal Service Review on the Ramona Region

Appendix C
Written Comments Received on the Draft Report

Allen, Priscilla

From: San Diego LAFCO <webmaster@clientdomain.com>
Sent: Monday, August 30, 2021 12:20 PM
To: Ngu, Dieu; Allen, Priscilla
Subject: [External] *NEW SUBMISSION* Contact Us

Contact Us

Submission #: 1147981
IP Address: 162.250.161.198
Submission Date: 08/30/2021 12:20
Survey Time: 3 minutes, 19 seconds

You have a new online form submission.
Note: all answers displaying "*****" are marked as sensitive and must be viewed after your login.

Name
Barbara Green

Phone

Email
greennramona@gmail.com

Address
, Ramona Ca

Comments or Questions
I am very opposed to LAFCO being involved in the Ramona community. Please keep me informed as to when meetings will be held regarding Ramona decisions. I want to be informed every step of the way and expect to be notified for public input.

Would you like to be contacted regarding your comments?
Yes

How do you prefer we contact you?
Email

Thank you,
San Diego LAFCO

This is an automated message generated by Granicus. Please do not reply directly to this email.

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8a

AGENDA REPORT
Business | Discussion

October 4, 2021

TO: Commissioners

FROM: Keene Simonds, Executive Officer

SUBJECT: **First Quarter Update on the Adopted Workplan & Related Referral on Public Inquiry to Establish Policies for Fire Prone Areas**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive a quarterly update on the adopted workplan for 2021-2022. The update is marked by work commencing on nearly one-half of all 30 projects through the end of the first quarter with two now completed (office move and translation policy) and a third nearing completion (Fallbrook-Rainbow Ad Hoc Committee). The update also highlights projects expected to be a focus in the second quarter along with addressing a referral from the Commission on a public inquiry to consider a policy involving LAFCO actions in fire prone areas. The item is for discussion and provides an opportunity to provide feedback and identify potential amendments.

BACKGROUND

2021-2022 Workplan

San Diego LAFCO's current fiscal year workplan was adopted at a noticed public hearing held in May 2021. The workplan includes 30 projects and divided into two distinct categories – statutory and administrative – along with priority assignments ranging from high to low. The Commission reserves discretion to amend the workplan during the fiscal year to address changes in priorities or resources as well as to continue projects into subsequent fiscal years.

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Kristi Becker, Alt., City of Solana Beach
Chris Cate, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

The Commission has approved one amendment to the workplan to date and summarized in the accompanying footnote.[1]

DISCUSSION

This item provides San Diego LAFCO a quarterly update on accomplishing projects calendared as part of the adopted workplan in 2021-2022. The update tracks the Commission's progress as the first quarter draws to a close with nearly one-half – 14 of the 30 – of the calendared projects having commenced with two already completed. The completed projects involve relocating the LAFCO office out of the County of San Diego's Operations Center in Kearny Mesa to a private space in downtown San Diego as well as establishing policies to guide translation protocols and accommodations. A third project is separately nearing completion and involves the work of the Fallbrook-Rainbow Ad Hoc Committee. All adopted workplan projects and their current statuses are detailed in Attachment One. Additional discussion on three high-priority projects expected to take focus in the second quarter follows along with addressing a Commission referral on a related request from a member of the public.

Highlighted Projects for the 2nd Quarter

- Legislative Proposal to Amend Government Code Section 56133(e)
  This high-priority project involves amending Government Code Section 56133 and its provisions directing cities and special districts to receive LAFCO approval before providing services by contract beyond their boundaries less certain exemptions. This section was made effective in 2001 and chaptered as part of legislation authored by former San Diego LAFCO Commissioner Mike Gotch. Administering the legislation has proven challenging. The most notable challenge involves local agencies self-qualifying themselves for the exemptions provided in statute without consultation with LAFCOs; a dynamic that has directly resulted in local conflicts with the Commission as well as other cities and districts. An amendment is accordingly being sought to clarify and make certain that all exemptions in subsection (e) – such as grandfathering eligibility and contracts between two or more public agencies in which the subject services are equal substitutes for services already provided – are determined by the Commission or, if delegated, the Executive Officer.

  LAFCO's initial activities on this workplan project began in Fall 2020 and included outreach with stakeholders – including other LAFCOs and the California Special Districts Association – and potential authors before work was paused due to other workplan priorities and resource considerations. Staff is now returning to the project with the enlistment of CALAFCO as a co-sponsor and the goal of securing an author for introduction into the 2022 session. The proposed amendment as currently drafted is provided as Attachment Two.

[1] At the recommendation of the Executive Officer, the Commission amended the adopted workplan in August 2021 to split the Oceanside-Carlsbad Regional Municipal Service Review and in doing so allow for separate studies on these subregions. A corresponding amendment was also made to remove and defer the Encinitas Regional Municipal Service Review.

- Escondido Region Municipal Service Review: Part II
  This high-priority project involves completing the second and final part of a scheduled municipal service review on the Escondido region specific to the City of Escondido. This two-part project ties to the Commission's separately adopted study schedule and follows the earlier competition of Part I involving the Rincon del Diablo Municipal Water District and Deer Springs Fire Protection District. Part II – notably and distinct from Part I – is being primarily prepared by the City of Escondido via Concordia Homes based on an earlier agreement with LAFCO and done so to allow the developer to sync the document with their pending subdivision project now known as "Harvest Hills." Subsequent sphere of influence updates for all agencies in the region will draw on both Parts I and II. The completion of this two-part project will also enable the Commission to proceed with a separate workplan project involving a governance study on the Escondido region to explore reorganization options between the City of Escondido and Rincon del Diablo Municipal Water District.

  Part II has been underway since early 2017 with several restarts along the way due to a variety of external factors to LAFCO. Staff has remained in contact with Concordia Homes and this includes providing comments on administrative drafts to help ensure LAFCO's informational needs are addressed. Towards this end, the most recent administrative draft reviewed in July 2021 appears largely complete and staff is now coordinating with the Concordia Homes and the City in bringing the item forward to the Commission by the end of the calendar year. The presentation to the Commission will include the draft report prepared by Concordia Homes and an addendum from LAFCO staff addressing – among other items – key conclusions and recommendations.

- Fallbrook-Rainbow Region Municipal Service Review
  This high-priority project ties to the Commission's separately adopted study schedule and covers four local agencies: Fallbrook Public Utility District; Rainbow Municipal Water District; North County Fire Protection District; and County Service Area 81. The municipal service review will directly inform subsequent sphere of influence updates for all four agencies. The municipal service review also serves as a prerequisite for the Commission to proceed with three separate applications already on file with LAFCO and headlined by related requests by Rainbow Municipal Water District and Fallbrook Public Utility District to detach from the County Water Authority and annex into Eastern Municipal Water District (Riverside County). The third associated proposal involves a stand-alone request by Fallbrook Public Utility District to activate latent powers to provide park and recreation services.

  Work on this high-priority project has been purposefully aligned to follow the Fallbrook-Rainbow Ad Hoc Committee process given their overlapping assessment of water rates and water reliability. Draft agency profiles have now been completed for three of the four agencies and currently under technical review by the subject agencies. The fourth profile involving County Service Area No. 81 is currently underway. Staff anticipates bringing the draft report on the municipal service review to the Commission before the end of the calendar year.

Referral on Public Request | Policy Discussion Involving Fire Prone Areas

At the August 2021 meeting, the Commission received a public comment from Patricia Borchmann regarding a recent New York Times article on insurance companies limiting and/or cancelling fire coverage policies in California. Ms. Borchmann requested the Commission consider an agenda item in October 2021 to discuss the establishment of one or more LAFCO policies to curb or restrict actions under its authority in fire prone areas. With concurrence from the Commission, the Chair referred Ms. Borchmann' s comment to the Executive Officer and asked for a staff response in October. To this end, and after speaking with Ms. Borchmann offline, staff proposes the Commission table the otherwise merited topic and incorporate it into the scheduled fire services review calendared for 2023-2024. Ms. Borchmann supports this approach (Attachment Three).

ANALYSIS

San Diego LAFCO is generally proceeding as planned as the first quarter comes to an end with two high-priority projects already completed (office move and translation policy) and a third nearing completion (Fallbrook-Rainbow Ad Hoc Committee). Other projects underway are reflected in Attachment One and highlighted by the above-discussed priority projects that staff anticipates focusing LAFCO resources during the second quarter and presumably will be forwarded to the Commission before the end of December. Other priority projects staff anticipates focusing resources on during the second quarter – albeit to a lesser degree to the preceding items – involve policy actions on city island annexations, categorizing special district service functions and classes, and environmental justice. Separately, tabling a discussion on LAFCO's regulatory and planning roles in fire prone areas advantageously syncs with a scheduled municipal service review on fire service providers and related opportunities to further rationalize jurisdictional boundaries.

RECOMMENDATION

This item is presented to San Diego LAFCO for discussion and feedback only.

ALTERNATIVES FOR ACTION

None.

(continued)

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 apply.

1) Receive verbal report from staff unless waived.
2) Initial questions or request for clarifications.
3) Discuss item and provide feedback as requested.

Respectfully,



Keene Simonds
Executive Officer

Attachments:

1) 2021-2022 Workplan with Status Notations
2) Proposed Amendment to Government Code Section 56133
3) Response from Ms. Borchmann

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LOCAL AGENCY FORMATION COMMISSION
SAN DIEGO COUNTY

Subdivision of the State of California
REGIONAL SERVICE PLANNING

Workplan
2021-2022





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.



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Chair
Public Member



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Vice Chair
County of San Diego



Chris Cate
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Nora Vargas
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County of San Diego



Baron Willis
Commissioner
Alpine Fire Protection



Joel Anderson
Alternate
County of San Diego



Kristi Becker
Alternate
City Member



David Drake
Alternate
Special District Member



Harry Mathis
Alternate
Public Member



Marni von Wilpert
Alternate
City of San Diego



Beautiful downtown San Diego

Introduction:

Local Agency Formation Commissions' (LAFCOs) operate as political subdivisions of the State of California and are delegated regulatory and planning responsibilities to oversee the formation and subsequent development of local government agencies and their municipal service areas. Common regulatory functions include approving jurisdictional changes (annexations, detachments, etc.) and outside service requests. Common planning functions include preparing studies to independently evaluate the availability and need for municipal services and establishing and updating spheres of influence – which are the Legislature's version of urban growth boundaries and gatekeepers to future jurisdictional changes – for all cities and special districts.

Objective:

This document represents San Diego LAFCO's formal 2021-2022 Workplan and formalizes the Commission's priorities for the fiscal year. The Workplan is divided into two distinct categories – statutory and administrative – with sequential priority rankings from high to low. The underlying intent of the Workplan is to serve as a management tool to allocate Commission resources in a transparent manner over the 12-month period. Further, while it is a stand-alone document, the Workplan should be reviewed in relationship to the adopted operating budget given the planned goals and activities are facilitated and or limited accordingly. Additionally, and as needed, the Commission reserves discretion to amend the Workplan during the fiscal year.

Executive Summary:

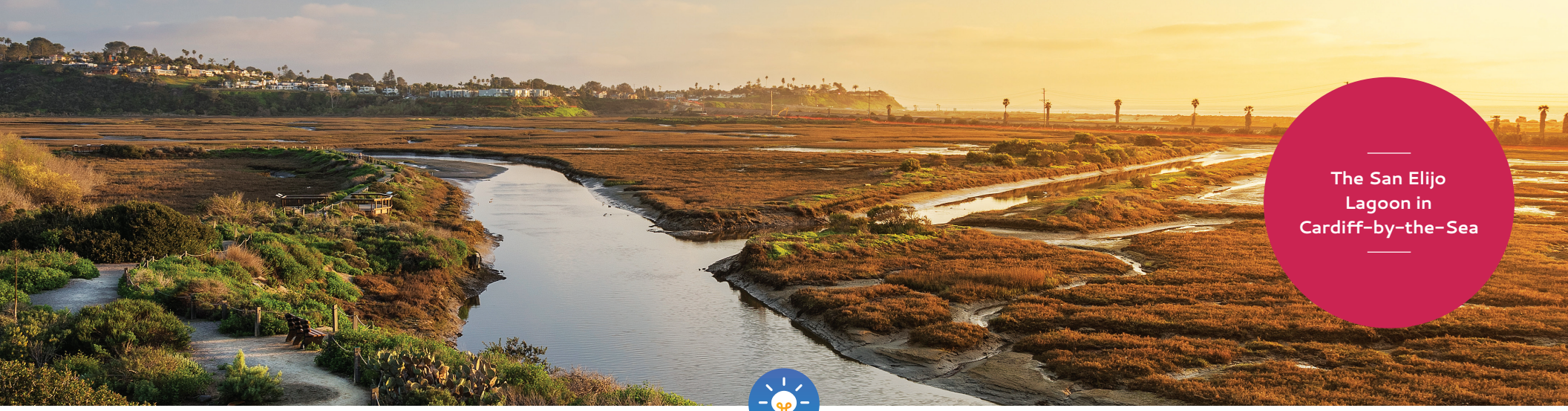
The 2021-2022 Workplan continues to guide the Commission to prioritize proactive planning as an effective means to inform its regulatory responsibilities . Most notably, this includes the continued investment in preparing municipal service reviews as well as initiating policy reviews involving timely topics ranging from environmental justice to island annexations. Several administrative projects are also in the Workplan and take aim to improve LAFCO's online services - such as expanding our digital mapping content as well as introducing video enhancements to the website. LAFCO has also expanded its typical duties in the Workplan to manage its first ever State grant program to track agricultural trends in San Diego County.



Workplan
2021-2022

Priority	Level	Project	Description	Status
Ongoing	...	Applicant Proposals and Requests	LAFCO will prioritize on an ongoing basis its available resources to process applicant proposals	
Ongoing	...	Targeted LAFCO Presentations	LAFCO will prioritize on an ongoing basis its resources to perform public outreach	
1	High	MSR | Fallbrook-Rainbow Region	Complete the scheduled review of Fallbrook PUD, Rainbow MWD, CSA 81, & North County FPD	
2	High	Fallbrook-Rainbow Ad Hoc	Complete the work of the Ad Hoc in assisting in the administrative review of the associated reorganizations	
3	High	Office Space Needs	Review office space needs and proceed with executing new office lease and related actions as needed	
4	High	MSR | Escondido Region Part II	Complete the scheduled review of the City of Escondido	
5	High	Leg Proposal | G.C. 56133(e)	Sponsor and/or facilitate amendments to clarify LAFCOs' responsibility in determining OSA exemptions	
6	High	Commission Rule No. 4	Prepare comprehensive update to Rule 4 and its provisions regulating pecial districts' functions and classes	
7	High	MSR | Oceanside Region	Complete scheduled review of City of Oceanside and local serving special districts in the region	
8	High	MSR | Carlsbad Region	Complete scheduled review of City of Carlsbad and local serving special districts in the region	
9	High	Translation Policy	Establish procedures and related accommodations to communicate with non-English speaking communities	
10	High	Environmental Justice Policy	Consider policy options to address environmental justice in regulatory and planning activities	
11	High-Moderate	2020-2021 Audit	Complete outside audit of financial statements for 2020-2021	
12	High-Moderate	2022-2023 Workplan + Budget	Adopt proposed and final workplan and budgets documents by March and May 2022	
13	High-Moderate	MSR | San Marcos Region	Complete the scheduled reviews of the City of San Marcos and surrounding local serving special districts	
14	High-Moderate	MSR | Vista Region	Complete the scheduled reviews of the City of Vista and surrounding local serving special districts	

LEGEND: Underway = | Pending = | Near Completion = | Completion = | Ongoing =



The San Elijo Lagoon in Cardiff-by-the-Sea

« WORKPLAN | Status as of September 30, 2021

Priority	Level	Project	Description	Status
15	High-Moderate	Special Districts Advisory Cmte.	Provide administrative support to the Districts Advisory and hold no less than three meetings in FY	
16	High-Moderate	Cities Advisory Committee	Provide administrative support to the Cities Advisory Committee and hold no less than two meetings in FY	
17	Moderate	RCD Ad Hoc Committee	Coordinate work of the Ad Hoc Committee in implementing recommendations included in the final MSR on RCDs	
18	Moderate	Legislative Proposal | RCDs	Facilitate and/or participate in a rewrite of RCD law and – among other priorities – clarify service functions	
19	Moderate	Policy Review | Island Annexations	Consider options to define "substantially surrounded" and provide related mapping to inform review	
20	Moderate	SALT Grant | Agricultural Trends	Implement two-year grant project to identify and track agricultural trends in San Diego County	
21	Moderate-Low	MSR | Pauma Valley Region	Complete the scheduled review of local serving special districts in the Pauma Valley region	
22	Moderate-Low	Report on Mutual Water Companies	Prepare informational report on private mutual water companies consistent with AB 54	
23	Moderate-Low	Social Media	Establish internal guidelines in conjunction with expanding social media presence in communicating information	
24	Moderate-Low	SANDAG	Participate in SANDAG's Technical Working Group (TWG) and provide update to Commission	
25	Moderate-Low	Application Procedures	Streamline existing application packet to be more user-friendly	
26	Low	Mapping Outside Utility Services	Establish a new GIS layer to identify existing outside wastewater and water service approvals	
27	Low	Website Enhancement | SGMA	Add a dedicated page to the LAFCO website addressing SGMA and related GSA activities in San Diego County	
28	Low	Website Enhancement | Videos	Add video discussions on current LAFCO projects and key duties on the website and cross-connected to social media	
29	Low	Annual Local Agency Directory	Update and publish local agency directory building on the inaugural version published in 2021	
30	Low	SOI/MSR Annual Report	Update and publish an annual report documenting all recorded municipal service reviews and sphere actions	

LEGEND: Underway = | Pending = | Near Completion = | Completion = | Ongoing =



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Government Code Section 56133
Proposed Amendment Regarding Exception Determination

56133.
(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.
(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.
(c) If consistent with adopted policy, the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:
(1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.
(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.
(d) The executive officer, within 30 days of receipt of a request for approval by a city or district to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of requests made pursuant to this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.
(e) This section does not apply to any of the following **as determined by the commission or the executive officer**:
(1) Two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.
(2) The transfer of nonpotable or nontreated water.
(3) The provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus

water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.
(4) An extended service that a city or district was providing on or before January 1, 2001.
(5) A local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundary.
(6) A fire protection contract, as defined in subdivision (a) of Section 56134.
(f) This section applies only to the commission of the county in which the extension of service is proposed.

From:	patricia borchmann
To:	Simonds,Keene; Allen, Priscilla; Laura Hunter
Cc:	patricia borchmann
Subject:	[External] LAFCO Agenda item 7a, First quarter report on adopted LAFCO Workplan (October 4, 2021)
Date:	Wednesday, September 22, 2021 3:30:01 PM

Keene Simonds,

I am following up on my inquiry at the August 2021 LAFCO Commission meeting, where I requested the Commission to consider adopting a new LAFCO policy to develop restrictions for new housing in "Very High Severity Fire Hazard Zones", which were defined by Cal Fire.

Given the increased intensity, frequency, expanded size of impact areas associated with wildfires in California in 2021 and the past few years, combined with more adverse weather conditions and an abundance of science-based data regarding climate change, it seems reasonable to ask LAFCO Commission to consider a community-driven request for the Commission to take proactive steps to address realistic fire hazards, that are more than a mere abstract concept in San Diego county, or a frivolous concern.

I understand you have considered the request carefully, and you propose a plan for LAFCO Commission to consider at the October 4, 2021 meeting, to table the item, until LAFCO sets a future agenda item to explore policies to guide the Commission on activities in fire prone areas. I agree it makes sense to integrate this item into a new LAFCO workplan in FY2022-2023, and to fold this work into the planned countywide fire services study, which will benefit from having maximum attention from fire service providers and land use authorities.

To implement this plan, you propose to incorporate the follow up as part of the first quarter report on the adopted workplan, **Agenda Item No. 7a**). As long as the community-driven request for follow-up action by LAFCO Commission is not overlooked, or prematurely dismissed, to consider forming new policy, define criteria, best practices, and potential restrictions for new housing in "Very High Severity Fire Hazard Zones" in San Diego county, I wanted to inform you that I support this approach. I look forward to working with you and LAFCO staff during the future phase, so that this new item may ultimately become integrated into the LAFCO workplan in FY2022-2023.

Thank you for keeping me informed.

Additionally in case you haven't seen it already, please examine the recent report by Climate Action Campaign: https://www.climateactioncampaign.org/sprawlreport, since it is relevant to land use planning issues and climate policy. "*Solving Sprawl provides practical tools and solutions. San Diego families are suffering under the crushing weigh of the climate and housing affordability crises, and sprawl is NOT the solution. It is costly, ineffective, and increases our vulnerability to climate disasters like wildfires. In this new report, CAC outlined alternatives that can meet the needs of our growing workforce without destroying wildlife habitats, exacerbating our climate emergency, and deepening inequality.*"

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8b

AGENDA REPORT
Business | Discussion

October 4, 2021

TO: Commissioners

FROM: Keene Simonds, Executive Officer
Carolanne Ieromnimon, Graduate Intern

SUBJECT: **Informational Report |**
Senate Bill 9 and the California Housing Opportunity and More Efficiency Act

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SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive an informational report on the recent passage of Senate Bill (SB) 9 and its central provisions as the "California Housing Opportunity and More Efficiency Act" or HOME Act. This legislation establishes new ministerial housing allowances in California aimed at expanding supply and headlined by allowing certain single-family homes to convert into duplexes with up to four units irrespective of local zoning. The informational report includes analysis prepared by the University of California and is being presented to the Commission for discussion given the topic's direct intersection with the Commission's growth management duties and interests.

BACKGROUND

SB 9 passed the California Legislature and subsequently signed by Governor Newsom on September 16, 2021. The California HOME Act is authored by Senator Toni Atkins from San Diego and headlined by allowing existing single-family homes to be ministerially converted into duplexes with a maximum of four units less limited exceptions – such as homes within historical districts or fire hazard zones – and irrespective of local zoning standards. It also allows single-family parcels to be subdivided into two lots, while allowing for a new two-unit building to be constructed on the newly formed lot.

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Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David A. Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

DISCUSSION

This item provides San Diego LAFCO with an overview on the recent passage of SB 9 and its key provisions to facilitate more housing in California along with additional homeownership opportunities. The central component of the legislation involves the establishment of new State mandates that supersede local land use policies and allow single-family homeowners the right – less limited exceptions – to either split into two lots or convert into duplexes with up to four sellable units. The University of California at Berkley's Terner Center for Housing Innovation evaluated the legislation shortly before it passed the Legislature and a summary of its own analysis and related conclusions follows.

Underlying Premises:

- SB 9 does not apply to single-family parcels in historic districts, fire hazard zones, and rural areas. Also does not apply to single-family parcels with ADUs.

- SB 9's allowances depend highly on local context with respect to both physical and market feasibility (i.e., lot sizes need to be able to reasonably accommodate additional density/intensity and there needs to be willing buyers of the new units.)

Statewide Impacts:

- California has approximately 7,470,500 total single-family parcels. It is estimated 6,182,500 – or 83% – of this statewide total are SB 9 eligible.

- It is estimated physical and market conditions reduce the applicability of SB 9 in generating new single-family parcels via ministerial lot splits to 111,746. This estimate produces an overall 1.8% change in the volume of new parcels in California.

- It is estimated physical and market conditions reduce the applicability of SB 9 in generating new residential units via ministerial duplex conversions to 602,354.

- In sum, the total new housing supply (single-family and multi-family) expected to be generated in California because of by SB 9 is estimated at 714,100 units.

Effects on San Diego County:

- San Diego County has approximately 554,502 total single-family parcels. It is estimated 398,386 – or 72% – of this amount are SB 9 eligible.

- It is estimated physical and market conditions reduce the applicability of SB 9 in generating new single-family parcels via ministerial lot splits to 9,015. This estimate produces an overall 2.3% change in the volume of new parcels in San Diego County.

- It is estimated physical and market conditions reduce the applicability of SB 9 in generating new residential units via ministerial duplex conversions to 45,485.

- In sum, the total new housing supply (single-family and multi-family) in San Diego County generated by SB 9 is estimated at 54,500 units.

ANALYSIS

SB 9 has generated considerable attention through the legislative process and concurrently lauded by several chambers and pro-housing advocates while criticized by an equal number of local agencies and neighborhood coalitions. With respect to San Diego LAFCO and its growth management tasks, two immediate considerations come to the forefront. Most notably, the legislation creates a new dynamic for the Commission when evaluating jurisdictional changes and ability of the subject agencies to accommodate projected service needs now that there are additional by-right allowances on top of local zoning. This includes drawing from the evaluation performed by the University of California at Berkeley in making reasonable assumptions on a proposal-by-proposal basis on the physical and market feasibility of applying the legislation's density/intensity allowances. The legislation also creates a new dynamic with regard to LAFCO updating spheres of influence and in particular for water and wastewater providers given the need for these type of community services to accommodate by-right allowances in otherwise rural zoned areas.

RECOMMENDATION

This item is presented to San Diego LAFCO for discussion and feedback only.

ALTERNATIVES FOR ACTION

None.

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 apply.

1) Receive verbal report from staff unless waived.
2) Initial questions or request for clarifications.
3) Discuss item and provide feedback as requested.

On behalf of staff,

Carolanne Ieromnimon
Graduate Intern

Attachment:

1) SB 9 Chaptered

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SB-9 Housing development: approvals. (2021-2022)

SHARE THIS:

Date Published: 09/17/2021 09:00 PM

Senate Bill No. 9

CHAPTER 162

An act to amend Section 66452.6 of, and to add Sections 65852.21 and 66411.7 to, the Government Code, relating to land use.

[Approved by Governor September 16, 2021. Filed with Secretary of State September 16, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

SB 9, Atkins. Housing development: approvals.

The Planning and Zoning Law provides for the creation of accessory dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions.

This bill, among other things, would require a proposed housing development containing no more than 2 residential units within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposed housing development meets certain requirements, including, but not limited to, that the proposed housing development would not require demolition or alteration of housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income, that the proposed housing development does not allow for the demolition of more than 25% of the existing exterior structural walls, except as provided, and that the development is not located within a historic district, is not included on the State Historic Resources Inventory, or is not within a site that is legally designated or listed as a city or county landmark or historic property or district.

The bill would set forth what a local agency can and cannot require in approving the construction of 2 residential units, including, but not limited to, authorizing a local agency to impose objective zoning standards, objective subdivision standards, and objective design standards, as defined, unless those standards would have the effect of physically precluding the construction of up to 2 units or physically precluding either of the 2 units from being at least 800 square feet in floor area, prohibiting the imposition of setback requirements under certain circumstances, and setting maximum setback requirements under all other circumstances.

The Subdivision Map Act vests the authority to regulate and control the design and improvement of subdivisions in the legislative body of a local agency and sets forth procedures governing the local agency’s processing, approval, conditional approval or disapproval, and filing of tentative, final, and parcel maps, and the modification of those maps. Under the Subdivision Map Act, an approved or conditionally approved tentative map expires 24 months after its approval or conditional approval or after any additional period of time as prescribed by local ordinance, not to exceed an additional 12 months, except as provided.

This bill, among other things, would require a local agency to ministerially approve a parcel map for an urban lot split that meets certain requirements, including, but not limited to, that the urban lot split would not require the

demolition or alteration of housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income, that the parcel is located within a single-family residential zone, and that the parcel is not located within a historic district, is not included on the State Historic Resources Inventory, or is not within a site that is legally designated or listed as a city or county landmark or historic property or district.

The bill would set forth what a local agency can and cannot require in approving an urban lot split, including, but not limited to, authorizing a local agency to impose objective zoning standards, objective subdivision standards, and objective design standards, as defined, unless those standards would have the effect of physically precluding the construction of 2 units, as defined, on either of the resulting parcels or physically precluding either of the 2 units from being at least 800 square feet in floor area, prohibiting the imposition of setback requirements under certain circumstances, and setting maximum setback requirements under all other circumstances. The bill would require an applicant to sign an affidavit stating that they intend to occupy one of the housing units as their principal residence for a minimum of 3 years from the date of the approval of the urban lot split, unless the applicant is a community land trust or a qualified nonprofit corporation, as specified. The bill would prohibit a local agency from imposing any additional owner occupancy standards on applicants. By requiring applicants to sign affidavits, thereby expanding the crime of perjury, the bill would impose a state-mandated local program.

The bill would also extend the limit on the additional period that may be provided by ordinance, as described above, from 12 months to 24 months and would make other conforming or nonsubstantive changes.

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment. CEQA does not apply to the approval of ministerial projects.

This bill, by establishing the ministerial review processes described above, would thereby exempt the approval of projects subject to those processes from CEQA.

The California Coastal Act of 1976 provides for the planning and regulation of development, under a coastal development permit process, within the coastal zone, as defined, that shall be based on various coastal resources planning and management policies set forth in the act.

This bill would exempt a local agency from being required to hold public hearings for coastal development permit applications for housing developments and urban lot splits pursuant to the above provisions.

By increasing the duties of local agencies with respect to land use regulations, the bill would impose a state-mandated local program.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for specified reasons.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 65852.21 is added to the Government Code, to read:

65852.21. (a) A proposed housing development containing no more than two residential units within a single-family residential zone shall be considered ministerially, without discretionary review or a hearing, if the proposed housing development meets all of the following requirements:

(1) The parcel subject to the proposed housing development is located within a city, the boundaries of which include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(2) The parcel satisfies the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4.

(3) Notwithstanding any provision of this section or any local law, the proposed housing development would not require demolition or alteration of any of the following types of housing:

(A) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(B) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(C) Housing that has been occupied by a tenant in the last three years.

(4) The parcel subject to the proposed housing development is not a parcel on which an owner of residential real property has exercised the owner's rights under Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.

(5) The proposed housing development does not allow the demolition of more than 25 percent of the existing exterior structural walls, unless the housing development meets at least one of the following conditions:

(A) If a local ordinance so allows.

(B) The site has not been occupied by a tenant in the last three years.

(6) The development is not located within a historic district or property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code, or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance.

(b) (1) Notwithstanding any local law and except as provided in paragraph (2), a local agency may impose objective zoning standards, objective subdivision standards, and objective design review standards that do not conflict with this section.

(2) (A) The local agency shall not impose objective zoning standards, objective subdivision standards, and objective design standards that would have the effect of physically precluding the construction of up to two units or that would physically preclude either of the two units from being at least 800 square feet in floor area.

(B) (i) Notwithstanding subparagraph (A), no setback shall be required for an existing structure or a structure constructed in the same location and to the same dimensions as an existing structure.

(ii) Notwithstanding subparagraph (A), in all other circumstances not described in clause (i), a local agency may require a setback of up to four feet from the side and rear lot lines.

(c) In addition to any conditions established in accordance with subdivision (b), a local agency may require any of the following conditions when considering an application for two residential units as provided for in this section:

(1) Off-street parking of up to one space per unit, except that a local agency shall not impose parking requirements in either of the following instances:

(A) The parcel is located within one-half mile walking distance of either a high-quality transit corridor, as defined in subdivision (b) of Section 21155 of the Public Resources Code, or a major transit stop, as defined in Section 21064.3 of the Public Resources Code.

(B) There is a car share vehicle located within one block of the parcel.

(2) For residential units connected to an onsite wastewater treatment system, a percolation test completed within the last 5 years, or, if the percolation test has been recertified, within the last 10 years.

(d) Notwithstanding subdivision (a), a local agency may deny a proposed housing development project if the building official makes a written finding, based upon a preponderance of the evidence, that the proposed housing development project would have a specific, adverse impact, as defined and determined in paragraph (2) of subdivision (d) of Section 65589.5, upon public health and safety or the physical environment and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact.

(e) A local agency shall require that a rental of any unit created pursuant to this section be for a term longer than 30 days.

(f) Notwithstanding Section 65852.2 or 65852.22, a local agency shall not be required to permit an accessory dwelling unit or a junior accessory dwelling unit on parcels that use both the authority contained within this section and the authority contained in Section 66411.7.

(g) Notwithstanding subparagraph (B) of paragraph (2) of subdivision (b), an application shall not be rejected solely because it proposes adjacent or connected structures provided that the structures meet building code safety standards and are sufficient to allow separate conveyance.

(h) Local agencies shall include units constructed pursuant to this section in the annual housing element report as required by subparagraph (I) of paragraph (2) of subdivision (a) of Section 65400.

(i) For purposes of this section, all of the following apply:

(1) A housing development contains two residential units if the development proposes no more than two new units or if it proposes to add one new unit to one existing unit.

(2) The terms "objective zoning standards," "objective subdivision standards," and "objective design review standards" mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal. These standards may be embodied in alternative objective land use specifications adopted by a local agency, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances.

(3) "Local agency" means a city, county, or city and county, whether general law or chartered.

(j) A local agency may adopt an ordinance to implement the provisions of this section. An ordinance adopted to implement this section shall not be considered a project under Division 13 (commencing with Section 21000) of the Public Resources Code.

(k) Nothing in this section shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local agency shall not be required to hold public hearings for coastal development permit applications for a housing development pursuant to this section.

SEC. 2. Section 66411.7 is added to the Government Code, to read:

66411.7. (a) Notwithstanding any other provision of this division and any local law, a local agency shall ministerially approve, as set forth in this section, a parcel map for an urban lot split only if the local agency determines that the parcel map for the urban lot split meets all the following requirements:

(1) The parcel map subdivides an existing parcel to create no more than two new parcels of approximately equal lot area provided that one parcel shall not be smaller than 40 percent of the lot area of the original parcel proposed for subdivision.

(2) (A) Except as provided in subparagraph (B), both newly created parcels are no smaller than 1,200 square feet.

(B) A local agency may by ordinance adopt a smaller minimum lot size subject to ministerial approval under this subdivision.

(3) The parcel being subdivided meets all the following requirements:

(A) The parcel is located within a single-family residential zone.

(B) The parcel subject to the proposed urban lot split is located within a city, the boundaries of which include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(C) The parcel satisfies the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4.

(D) The proposed urban lot split would not require demolition or alteration of any of the following types of housing:

(i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(ii) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(iii) A parcel or parcels on which an owner of residential real property has exercised the owner's rights under Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 to withdraw accommodations from rent or lease within 15 years before the date that the development proponent submits an application.

(iv) Housing that has been occupied by a tenant in the last three years.

(E) The parcel is not located within a historic district or property included on the State Historic Resources Inventory, as defined in Section 5020.1 of the Public Resources Code, or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to a city or county ordinance.

(F) The parcel has not been established through prior exercise of an urban lot split as provided for in this section.

(G) Neither the owner of the parcel being subdivided nor any person acting in concert with the owner has previously subdivided an adjacent parcel using an urban lot split as provided for in this section.

(b) An application for a parcel map for an urban lot split shall be approved in accordance with the following requirements:

(1) A local agency shall approve or deny an application for a parcel map for an urban lot split ministerially without discretionary review.

(2) A local agency shall approve an urban lot split only if it conforms to all applicable objective requirements of the Subdivision Map Act (Division 2 (commencing with Section 66410)), except as otherwise expressly provided in this section.

(3) Notwithstanding Section 66411.1, a local agency shall not impose regulations that require dedications of rights-of-way or the construction of offsite improvements for the parcels being created as a condition of issuing a parcel map for an urban lot split pursuant to this section.

(c) (1) Except as provided in paragraph (2), notwithstanding any local law, a local agency may impose objective zoning standards, objective subdivision standards, and objective design review standards applicable to a parcel created by an urban lot split that do not conflict with this section.

(2) A local agency shall not impose objective zoning standards, objective subdivision standards, and objective design review standards that would have the effect of physically precluding the construction of two units on either of the resulting parcels or that would result in a unit size of less than 800 square feet.

(3) (A) Notwithstanding paragraph (2), no setback shall be required for an existing structure or a structure constructed in the same location and to the same dimensions as an existing structure.

(B) Notwithstanding paragraph (2), in all other circumstances not described in subparagraph (A), a local agency may require a setback of up to four feet from the side and rear lot lines.

(d) Notwithstanding subdivision (a), a local agency may deny an urban lot split if the building official makes a written finding, based upon a preponderance of the evidence, that the proposed housing development project would have a specific, adverse impact, as defined and determined in paragraph (2) of subdivision (d) of Section 65589.5, upon public health and safety or the physical environment and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact.

(e) In addition to any conditions established in accordance with this section, a local agency may require any of the following conditions when considering an application for a parcel map for an urban lot split:

(1) Easements required for the provision of public services and facilities.

(2) A requirement that the parcels have access to, provide access to, or adjoin the public right-of-way.

(3) Off-street parking of up to one space per unit, except that a local agency shall not impose parking requirements in either of the following instances:

(A) The parcel is located within one-half mile walking distance of either a high-quality transit corridor as defined in subdivision (b) of Section 21155 of the Public Resources Code, or a major transit stop as defined in Section 21064.3 of the Public Resources Code.

(B) There is a car share vehicle located within one block of the parcel.

(f) A local agency shall require that the uses allowed on a lot created by this section be limited to residential uses.

(g) (1) A local agency shall require an applicant for an urban lot split to sign an affidavit stating that the applicant intends to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approval of the urban lot split.

(2) This subdivision shall not apply to an applicant that is a "community land trust," as defined in clause (ii) of subparagraph (C) of paragraph (11) of subdivision (a) of Section 402.1 of the Revenue and Taxation Code, or is a "qualified nonprofit corporation" as described in Section 214.15 of the Revenue and Taxation Code.

(3) A local agency shall not impose additional owner occupancy standards, other than provided for in this subdivision, on an urban lot split pursuant to this section.

(h) A local agency shall require that a rental of any unit created pursuant to this section be for a term longer than 30 days.

(i) A local agency shall not require, as a condition for ministerial approval of a parcel map application for the creation of an urban lot split, the correction of nonconforming zoning conditions.

(j) (1) Notwithstanding any provision of Section 65852.2, 65852.21, 65852.22, 65915, or this section, a local agency shall not be required to permit more than two units on a parcel created through the exercise of the authority contained within this section.

(2) For the purposes of this section, "unit" means any dwelling unit, including, but not limited to, a unit or units created pursuant to Section 65852.21, a primary dwelling, an accessory dwelling unit as defined in Section 65852.2, or a junior accessory dwelling unit as defined in Section 65852.22.

(k) Notwithstanding paragraph (3) of subdivision (c), an application shall not be rejected solely because it proposes adjacent or connected structures provided that the structures meet building code safety standards and are sufficient to allow separate conveyance.

(l) Local agencies shall include the number of applications for parcel maps for urban lot splits pursuant to this section in the annual housing element report as required by subparagraph (I) of paragraph (2) of subdivision (a) of Section 65400.

(m) For purposes of this section, both of the following shall apply:

(1) "Objective zoning standards," "objective subdivision standards," and "objective design review standards" mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official prior to submittal. These standards may be embodied in alternative objective land use specifications adopted by a local agency, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances.

(2) "Local agency" means a city, county, or city and county, whether general law or chartered.

(n) A local agency may adopt an ordinance to implement the provisions of this section. An ordinance adopted to implement this section shall not be considered a project under Division 13 (commencing with Section 21000) of the Public Resources Code.

(o) Nothing in this section shall be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local agency shall not be required to hold public hearings for coastal development permit applications for urban lot splits pursuant to this section.

SEC. 3. Section 66452.6 of the Government Code is amended to read:

66452.6. (a) (1) An approved or conditionally approved tentative map shall expire 24 months after its approval or conditional approval, or after any additional period of time as may be prescribed by local ordinance, not to exceed an additional 24 months. However, if the subdivider is required to expend two hundred thirty-six thousand seven hundred ninety dollars ($236,790) or more to construct, improve, or finance the construction or improvement of public improvements outside the property boundaries of the tentative map, excluding improvements of public rights-of-way that abut the boundary of the property to be subdivided and that are reasonably related to the development of that property, each filing of a final map authorized by Section 66456.1 shall extend the expiration of the approved or conditionally approved tentative map by 48 months from the date of its expiration, as provided in this section, or the date of the previously filed final map, whichever is later. The extensions shall not extend the tentative map more than 10 years from its approval or conditional approval. However, a tentative map on property subject to a development agreement authorized by Article 2.5 (commencing with Section 65864) of Chapter 4 of Division 1 may be extended for the period of time provided for in the agreement, but not beyond the duration of the agreement. The number of phased final maps that may be filed shall be determined by the advisory agency at the time of the approval or conditional approval of the tentative map.

(2) Commencing January 1, 2012, and each calendar year thereafter, the amount of two hundred thirty-six thousand seven hundred ninety dollars ($236,790) shall be annually increased by operation of law according to the adjustment for inflation set forth in the statewide cost index for class B construction, as determined by the State Allocation Board at its January meeting. The effective date of each annual adjustment shall be March 1. The adjusted amount shall apply to tentative and vesting tentative maps whose applications were received after the effective date of the adjustment.

(3) "Public improvements," as used in this subdivision, include traffic controls, streets, roads, highways, freeways, bridges, overcrossings, street interchanges, flood control or storm drain facilities, sewer facilities, water facilities, and lighting facilities.

(b) (1) The period of time specified in subdivision (a), including any extension thereof granted pursuant to subdivision (e), shall not include any period of time during which a development moratorium, imposed after approval of the tentative map, is in existence. However, the length of the moratorium shall not exceed five years.

(2) The length of time specified in paragraph (1) shall be extended for up to three years, but in no event beyond January 1, 1992, during the pendency of any lawsuit in which the subdivider asserts, and the local agency that approved or conditionally approved the tentative map denies, the existence or application of a development moratorium to the tentative map.

(3) Once a development moratorium is terminated, the map shall be valid for the same period of time as was left to run on the map at the time that the moratorium was imposed. However, if the remaining time is less than 120 days, the map shall be valid for 120 days following the termination of the moratorium.

(c) The period of time specified in subdivision (a), including any extension thereof granted pursuant to subdivision (e), shall not include the period of time during which a lawsuit involving the approval or conditional approval of the tentative map is or was pending in a court of competent jurisdiction, if the stay of the time period is approved by the local agency pursuant to this section. After service of the initial petition or complaint in the lawsuit upon the local agency, the subdivider may apply to the local agency for a stay pursuant to the local agency's adopted procedures. Within 40 days after receiving the application, the local agency shall either stay the time period for up to five years or deny the requested stay. The local agency may, by ordinance, establish procedures for reviewing the requests, including, but not limited to, notice and hearing requirements, appeal procedures, and other administrative requirements.

(d) The expiration of the approved or conditionally approved tentative map shall terminate all proceedings and no final map or parcel map of all or any portion of the real property included within the tentative map shall be filed with the legislative body without first processing a new tentative map. Once a timely filing is made, subsequent actions of the local agency, including, but not limited to, processing, approving, and recording, may lawfully occur after the date of expiration of the tentative map. Delivery to the county surveyor or city engineer shall be deemed a timely filing for purposes of this section.

(e) Upon application of the subdivider filed before the expiration of the approved or conditionally approved tentative map, the time at which the map expires pursuant to subdivision (a) may be extended by the legislative body or by an advisory agency authorized to approve or conditionally approve tentative maps for a period or

periods not exceeding a total of six years. The period of extension specified in this subdivision shall be in addition to the period of time provided by subdivision (a). Before the expiration of an approved or conditionally approved tentative map, upon an application by the subdivider to extend that map, the map shall automatically be extended for 60 days or until the application for the extension is approved, conditionally approved, or denied, whichever occurs first. If the advisory agency denies a subdivider's application for an extension, the subdivider may appeal to the legislative body within 15 days after the advisory agency has denied the extension.

(f) For purposes of this section, a development moratorium includes a water or sewer moratorium, or a water and sewer moratorium, as well as other actions of public agencies that regulate land use, development, or the provision of services to the land, including the public agency with the authority to approve or conditionally approve the tentative map, which thereafter prevents, prohibits, or delays the approval of a final or parcel map. A development moratorium shall also be deemed to exist for purposes of this section for any period of time during which a condition imposed by the city or county could not be satisfied because of either of the following:

(1) The condition was one that, by its nature, necessitated action by the city or county, and the city or county either did not take the necessary action or by its own action or inaction was prevented or delayed in taking the necessary action before expiration of the tentative map.

(2) The condition necessitates acquisition of real property or any interest in real property from a public agency, other than the city or county that approved or conditionally approved the tentative map, and that other public agency fails or refuses to convey the property interest necessary to satisfy the condition. However, nothing in this subdivision shall be construed to require any public agency to convey any interest in real property owned by it. A development moratorium specified in this paragraph shall be deemed to have been imposed either on the date of approval or conditional approval of the tentative map, if evidence was included in the public record that the public agency that owns or controls the real property or any interest therein may refuse to convey that property or interest, or on the date that the public agency that owns or controls the real property or any interest therein receives an offer by the subdivider to purchase that property or interest for fair market value, whichever is later. A development moratorium specified in this paragraph shall extend the tentative map up to the maximum period as set forth in subdivision (b), but not later than January 1, 1992, so long as the public agency that owns or controls the real property or any interest therein fails or refuses to convey the necessary property interest, regardless of the reason for the failure or refusal, except that the development moratorium shall be deemed to terminate 60 days after the public agency has officially made, and communicated to the subdivider, a written offer or commitment binding on the agency to convey the necessary property interest for a fair market value, paid in a reasonable time and manner.

SEC. 4. The Legislature finds and declares that ensuring access to affordable housing is a matter of statewide concern and not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, Sections 1 and 2 of this act adding Sections 65852.21 and 66411.7 to the Government Code and Section 3 of this act amending Section 66452.6 of the Government Code apply to all cities, including charter cities.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act or because costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

8d

AGENDA REPORT
Business | Action

October 4, 2021

TO: Commissioners

FROM: Holly O. Whatley, General Counsel

SUBJECT: **Fourth Amendment to the Employment Agreement with Executive Officer Keene Simonds**

SUMMARY

The Commission annually evaluates the performance of its Executive Officer, Keene Simonds. As part of the evaluation, the Commission may propose an amendment to the Executive Officer's employment contract. The Executive Officer Compensation Committee recommends amending the Executive Officer's employment contract to increase the Executive Officer's annual salary commensurate with the Committee's evaluation of the EO's performance as "outstanding." The proposed amendment is attached as Exhibit C, with the amount of the increase left open until full Commission discussion has concluded.

DISCUSSION

Section 11 of the Employment Agreement Between the San Diego Local Agency Formation Commission and Keene Simonds, dated September 11, 2017 ("Agreement"), attached as Exhibit A, requires the Commission to evaluate the Executive Officer's ("EO") performance at least once annually. Under Section 6.20 of the LAFCO Personnel Rules, the Commission may consider an adjustment of the Executive Director's current

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Kristi Becker, Alt., City of Solona Beach
Chris Cate, City of San Diego
Marni von Wilpert, Alt., City of San Diego
Jo MacKenzie, Vista Irrigation
Barry Willis, Alpine Fire Protection
David Drake, Alt., Rincon del Diablo
Chair Andy Vanderlaan, General Public
Harry Mathis, Alt., General Public

salary dependent on the EO Compensation Committee's performance evaluation and recommendation.

The EO Compensation Committee met on September 3, 2021 as part of the Executive Officer's annual performance review process and recommends a salary increase commensurate with his overall performance rating level of "outstanding." The EO's current salary is $186,277. The EO Compensation Committee last reviewed the EO's performance in August 2020, and the Commission then voted unanimously to increase his annual salary by 2 percent from $ 182,624, which is reflected in the Third Amended to Employment Agreement attached as Exhibit B.

At the Commission meeting, the EO Committee members will be prepared to recommend a specific increase for the full Commission's consideration commensurate with the EO's evaluation rating. For reference, a chart of salaries for executive officers for Southern California LAFCO's is attached as Exhibit D.

FISCAL IMPLICATIONS

The potential changes to salary and benefits provided by this amendment are within existing budget appropriations.

RECOMMENDATION

The EO Compensation Committee recommends the Commission approve an amendment in an amount to be determined at the Commission meeting and authorize the Chair to execute it on its behalf.

ALTERNATIVES FOR ACTION

The Commission may refuse to approve the amendment, request changes to the amendment, or give other appropriate direction on this subject.

Attachments:
1 – Employment Agreement
2 – Third Amendment to Employment Agreement
3 – Proposed Fourth Amendment to Employment Agreement
4 – Chart of EO Salaries for Southern California LAFCOs

EMPLOYMENT AGREEMENT BETWEEN THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION AND KEENE SIMONDS

RECITAL

On August 7, 2017 the San Diego Local Agency Formation Commission selected Keene Simonds (hereafter "Executive Officer") to serve as Executive Officer of the San Diego Local Agency Formation Commission ("LAFCO"), and Executive Officer accepted such employment. Executive Officer and LAFCO are referenced in this Agreement as Parties and, individually, as a Party. Accordingly, the Parties agree as follows:

AGREEMENT

1. **Effective Date**

This agreement shall become effective when it has been executed by Executive Officer and duly approved by the LAFCO Commission which the Parties anticipate will be on or before September 11, 2017.

2. **Term of Employment**

Pursuant to the Cortese-Knox-Hertzberg Act, California Government Code sections 56000 et seq. ("CKH"), and this Agreement, Executive Officer serves at the pleasure of the LAFCO Commission and on an "at will" basis and has no vested right to his employment during the term of this Agreement, subject to the terms and provision of this Agreement as set forth below. The term of this Agreement shall extend from its Effective Date until terminated by a Party pursuant to sections 14 – 16 of this Agreement below.

3. **Duties; Hours of Work**

A. Executive Officer shall perform those functions and duties specified by CKH and other applicable laws, adopted policies and procedures of LAFCO and by formal direction of the LAFCO Commission. Executive Officer shall perform such duties in accordance with the highest professional and ethical standards of the public management profession. Executive Officer shall not engage in any activity, which is, or which may become, incompatible with the office of Executive Officer, as provided for

by State law. During the term of this agreement, Executive Officer shall be exclusively employed by the LAFCO, unless prior authorization otherwise is received from the LAFCO Commission, which authorization will not be unreasonably withheld.

B. Executive Officer shall maintain a regular work schedule consistent with that approved for other Executive Service employees of the LAFCO. Executive Officer's duties may require more than eight hours per day and/or (40 hours per week, and may also include time outside normal office hours, such as attendance at LAFCO Commission meetings. Executive Officer shall not be entitled to additional compensation for such time. Commission acknowledges that Executive Officer intends to work a four-day, 10-hour work week until January 1, 2018 and consents to his doing so, provided that he is available on the last business day before Commission meetings and at other times as the work of LAFCO may require.

4. **Compensation**

A. The Executive Officer's annual salary shall be $160,000 and as otherwise provided in section 6.20 of LAFCO's Personnel Rules ("Rules").

B. Executive Officer's compensation shall be reviewed at least annually in connection with the annual review required by section 11 below or at other times as may be determined by the LAFCO Commission.

C. To assist Executive Officer in relocating himself and his family from the Bay Area, Executive Officer shall receive, at his option, (i) an additional, $1,000 in taxable compensation in each of the first six months of his employment, (ii) reimbursement of housing, travel and moving expenses up to $6,000, or (iii) any combination of the two which does not exceed a cost to LAFCO of $6,000 excluding employer's payroll taxes. This benefit is in addition to the moving expense allowance provided by section 6.20 of the Rules.

5. **Flexible Benefits Program**

LAFCO shall provide Executive Officer with the same flexible benefit program covering medical, dental and vision insurance benefits as provided to all other County of San Diego Executive Service employees and at the cost charged to those employees. At present, the monthly allowances are $646 for an employee, $937 for an employee with one dependent, and $1,313.00 for an employee with two or more dependents.

6. **Other Benefits**

A. LAFCO shall provide, without cost to the Executive Officer, term life insurance in the amount of his annual salary, $2,000.00 for his spouse and dependent children up to age 26. LAFCO shall also provide accidental death and dismemberment insurance up to the amount of Executive Officer's annual salary. These coverages may be supplemented via the flexible benefit plan described above.

B. Executive Officer may participate in the flexible spending plan on the same terms available to other County of San Diego Executive Service employees. At present the plan allows reimbursement on a pre-tax basis of eligible health care and dependent day care expenses.

C. Executive Officer may participate in the health savings plan on the same terms available to other County of San Diego Executive Service employees.

D. Executive Officer may participate in the limited-purpose, flexible-spending plan for otherwise unreimbursed dental and vision expenses on the same terms available to other County of San Diego Executive Service employees.

E. Executive Officer will be afforded pension benefits under the terms established by the San Diego Employees Retirement Association on the same terms afforded other similarly qualified County of San Diego Executive Service employees.

F. Executive Officer may participate in the County's 457 and 401A deferred compensation programs on the same terms available to other County of San Diego Executive Service employees.

7. **Vacation Leave**

A. Executive Officer shall be afforded vacation benefits per the Rules. At present, these afford 10 days per year for employees with one to five years' service, 15 days per year for employees with five to 10 years' service, and 20 days per year to employees with more than 10 year' service.

B. The Executive Officer may carry a balance of no more than twice his annual accrual of vacation leave.

8. **Other Leaves, Holidays, and Benefits**

The Executive Officer is entitled to 10 paid holidays as recognized by the LAFCO, plus two days of floating holiday time-off annually. LAFCO shall afford Executive Officer such other benefits as are provided to other Executive Service employees of the LAFCO on the same terms as provided to those employees except as otherwise expressly provided herein. These include as of the Effective Date:

A. An initial bank of 10 days of reserve sick leave pending normal accrual during the first year of employment. Thereafter, accruals are credited on a biweekly basis (4 hours per 80-hour pay period). Employee will accrue 13 sick days per year in every subsequent year.
B. Miscellaneous leaves including those for military service, bereavement, and jury duty.

9. **Automobile Allowance**

As the Executive Officer's normal duties require frequent use of his automobile, Executive Officer shall be entitled to $600 per month as an automobile allowance. This allowance is in lieu of mileage reimbursement or other expenses that may be incurred by Executive Officer in connection with his use of his own automobile for LAFCO purposes. In consideration for said allowance, Executive Officer shall be responsible for all costs of maintenance and operation of his vehicle. Executive Officer shall at all times maintain automobile liability insurance on any vehicle him uses in the course of LAFCO employment. Such insurance shall have coverage limits acceptable in form and amounts to LAFCO. Executive Officer shall provide a certificate or other evidence of such insurance to LAFCO. Executive Officer acknowledges that this allowance will be subject to payroll taxes unless he maintains the records required by law to permit other treatment of this allowance. Executive Officer may not drive the County of San Diego vehicle provided to LAFCO staff more than three times per month under the policies and regulations adopted by the County of San Diego.

10. **Professional Memberships & Meetings; Other Expenses**

A. LAFCO shall maintain its membership in the California Association of LAFCOs to support Executive Officer's professional development. LAFCO shall pay for Executive Officer to attend the annual CALAFCO staff workshop and annual conference. LAFCO will pay for such other professional memberships and conference attendance as may be approved and budgeted by the LAFCO Commission.

B. LAFCO recognizes that the Executive Officer may incur certain expenses of a non-personal and job-related nature. LAFCO agrees to reimburse Executive Officer for reasonable expenses which are authorized by the LAFCO budget; submitted to the LAFCO Commission for approval; and which are supported by expense receipts, statements or personal affidavits, and audit thereof in like manner as other demands against the LAFCO.

11. Annual Performance Evaluation

The LAFCO Commission shall evaluate Executive Officer's performance at least once annually. The LAFCO Commission and Executive Officer shall annually develop mutually agreeable performance goals and criteria which the LAFCO Commission shall use in reviewing Executive Officer's performance in the following year. It shall be Executive Officer's responsibility to initiate this review each year. Executive Officer will be afforded an adequate opportunity to discuss each evaluation with the LAFCO Commission.

12. Indemnification

LAFCO shall defend, hold harmless and indemnify Executive Officer against any claim, demand, judgment, or action of any type or kind arising within the course and scope of Executive Officer's employment to the extent required by Government Code Sections 825 and 995.

13. Other Terms and Conditions of Employment

A. The LAFCO Commission may from time to time fix other terms and conditions of employment relating to the performance of Executive Officer, provided such terms and conditions are not inconsistent with or in conflict with the provision of this Agreement, CKH, or other applicable law.

B. The provisions of the Rules shall apply to Executive Officer to the extent they explicitly apply to the position of Executive Officer or as provided elsewhere in this Agreement, except that if the specific provisions of this Agreement conflict with the Rules, the terms of this Agreement shall prevail. Without limiting the generality of the exception noted in the previous sentence, however, no provision of the Rules or this Agreement shall confer upon Executive Officer a property right in his employment or a right to be discharged only upon cause. Executive Officer is an at-will employee serving at the pleasure of the LAFCO Commission and may be dismissed at any time with or without cause, subject only to the provisions of this Agreement.

14. Termination Without Cause

The LAFCO Commission may terminate Executive Officer's employment with the LAFCO at any time and without cause, upon 30 days' written notice to Executive Officer. In the event of such termination without cause, Executive Officer shall be entitled to a severance benefit, of six months of the Executive Officer's current base

salary plus payment of accumulated vacation upon termination from service. This base salary and leave pay-out shall be made on a bi-weekly basis at such time as other LAFCO employees are paid; provided, however, that the balance on any accrued leave which has not then been paid shall be payable in a lump sum upon termination of severance pay. Upon payment of such severance compensation, LAFCO shall have no further obligation to Executive Officer and Executive Officer shall have no claim for further compensation from LAFCO.

15. **Termination With Cause**

The LAFCO Commission may terminate Executive Officer's employment with LAFCO for cause upon 30 days' written notice to Executive Officer. In that event, LAFCO shall have no obligation to continue the employment of Executive Officer and shall have no obligation to provide any severance compensation, although Executive Officer shall be entitled to payment of the value of accrued leave. For purposes of this agreement, the term "for cause" means malfeasance or misfeasance in office or conviction of a crime involving moral turpitude, including but not limited to:

(a) use of alcohol or drugs that impedes performance of duties;
(b) conviction of a felony or misdemeanor involving moral turpitude (a plea or verdict of guilty or a conviction following a plea of nolo contendere is deemed a conviction for this purpose);
(c) a proven claim of either sexual harassment or abuse of employees in violation of law or adopted LAFCO policy;
(d) willful and repeated failure to carry out the lawful directives or policy decisions of the LAFCO Commission; or
(e) willful abandonment of the position or continued and unexcused absence from duty.

16. **Voluntary Termination; Death**

A. Executive Officer may voluntarily terminate his employment, by resignation or retirement, at any time during the term of this Agreement, subject to at least 30 days' written notice by Executive Officer to LAFCO, unless the LAFCO Commission and Executive Officer agree otherwise. In such case, LAFCO shall have no further obligation to provide payments and benefits, including severance benefits, upon the effective date of termination of employment, other than payment of accrued leave.

B. In the event the Executive Officer dies while employed by the LAFCO, his beneficiaries or those entitled to his estate shall be paid any earned salary and accrued leave at the Executive Officer's pay rate on the date of death.

17. **Compliance With Law**

This Agreement is subject to all applicable provisions of CKH and other State and Federal law and LAFCO policies, rules and regulations applicable to the Executive Officer.

18. **General Provisions**

A. This Agreement constitutes the entire Agreement between the Parties. LAFCO and Executive Officer hereby acknowledge that they have neither made nor accepted any other promise or obligation with respect to the subject matter of this Agreement.

B. If any provision or any portion of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of the Agreement shall be deemed severable and shall not be affected and shall remain in full force and effect.

C. Any notice to LAFCO pursuant to this Agreement shall be given in writing, either by personal service or by registered or certified mail, postage prepaid, addressed as follows:

Chair and Members of the LAFCO Commission
San Diego LAFCO
9335 Hazard Way, Suite 200
San Diego, CA 92123

With a courtesy copy to the LAFCO General Counsel at the following address or the address then shown in the records of the LAFCO for the LAFCO General Counsel:

Michael G. Colantuono, Esq.
San Diego LAFCO General Counsel
420 Sierra College Drive, Ste. 140
Grass Valley, CA 95945-5091.

Any notice to Executive Officer shall be given in a like manner, and, if mailed, shall be addressed to Executive Officer at the address then shown in LAFCO's personnel records. For the purpose of determining compliance with any time limit stated in this Agreement, a notice shall be deemed to have duly given: (a) on the date of delivery, if served personally, or (b) on the second calendar day after mailing, if mailed.

D. Venue for any disputes arising from or relating to this Agreement shall lie in San Diego County, California. If an action at law or in equity is necessary to enforce or interpret this Agreement, the prevailing party shall be entitled to reasonable and actual attorneys' fees and costs with respect to the action.

E. A waiver of any of the terms and conditions of this Agreement shall not be construed as a general waiver and either Party shall be free to enforce any term or condition of this Agreement with or without notice to the other, notwithstanding any prior waiver of that term or condition.

19. **Amendments**

This represents the entire agreement between the Parties as to its subject. Amendments to this Agreement may be made at such times as approved by the LAFCO Commission and Executive Officer and shall be in writing.

EXECUTIVE OFFICER

Dated: August 9, 2017

Keene Simonds

LAFCO

Dated: Aug. 15, 2017

Sam Abed, Chair

Approved as to form:

Dated: 8/11/17

Michael G. Colantuono
LAFCO Attorney

Attest:

Tamaron R. Luckett

Dated: 8/15/2017

[name] Tamaron R. Luckett
LAFCO Clerk

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THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

RECITAL

On October 5, 2020 the San Diego Local Agency Formation Commission approved amending the Employment Agreement Between the San Diego Local Agency Formation Commission (hereafter "LAFCO") and Keene Simonds ("Executive Officer") dated September 11, 2017 ("Employment Agreement"), attached as Exhibit A, which was first amended pursuant to the First Amendment to Employment Agreement, attached hereto as Exhibit B, and last amended pursuant to the Second Amendment to Employment Agreement, attached hereto as Exhibit C. The amendment approved on October 5, 2020 followed the Executive Officer's annual performance review and is made as permitted by Paragraph 19 of the Employment Agreement. The Parties agree as follows:

AMENDMENT

1. Paragraph 4 ("Compensation"), subparagraph "A" is hereby amended in its entirety to read as follows:

   A. Effective as of the first day of the first pay period following the Executive Officer's hiring anniversary date September 11, 2020, the Executive Officer's annual salary shall be $186,277 and as otherwise provided in section 6.20 of LAFCO's Personnel Rules ("Rules").

2. All other recitals, paragraphs, subparagraphs and clauses of the Employment Agreement and the Vacation Leave amendment in the First Amendment to Employment Agreement remain unchanged by this Third Amendment to Employment Agreement.

EXECUTIVE OFFICER

Dated: October 5, 2020

Keene Simonds

LAFCO

Dated: _____

_____
Dianne Jacob, Chair

Approved as to form:

Holly O. Whatley
General Counsel

Dated: 11/5/20

Attest:

Tamaron Luckett
LAFCO Clerk

Dated: _____

FOURTH AMENDMENT TO EMPLOYMENT AGREEMENT

RECITAL

On _____, 2021 the San Diego Local Agency Formation Commission approved amending the Employment Agreement Between the San Diego Local Agency Formation Commission (hereafter "LAFCO") and Keene Simonds ("Executive Officer") dated September 11, 2017 ("Employment Agreement"), attached as Exhibit A. The Employment Agreement has been amended three times, and the First, Second and Third Amendments are attached hereto as Exhibit B. This Fourth Amendment approved on _____, 2021 following the Executive Officer's annual performance review and is made as permitted by Paragraph 19 of the Employment Agreement. The Parties agree as follows:

AMENDMENT

1. Paragraph 4 ("Compensation"), subparagraph "A" is hereby amended in its entirety to read as follows:

   A. Effective as of the first day of the first pay period following the Executive Officer's hiring anniversary date September 11, 2021, the Executive Officer's annual salary shall be $_____ and as otherwise provided in section 6.20 of LAFCO's Personnel Rules ("Rules").

2. All other recitals, paragraphs, subparagraphs and clauses of the Employment Agreement and the Vacation Leave amendment in the First Amendment to Employment Agreement remain unchanged by this Forth Amendment to Employment Agreement.

EXECUTIVE OFFICER

Dated: _____ _____

Keene Simonds

LAFCO

Dated: _____ _____

Andy Vanderlaan, Chair

Approved as to form:

_____ Dated: _____

Holly O. Whatley
General Counsel

Attest:

_____ Dated: _____

Tamaron Luckett
LAFCO Clerk

Executive Officer Salaries
Among Southern California Counties

County	Current EO Salary	Years with LAFCO	Years with LAFCO as EO	LAFCO Employees	LAFCO FY22 Budget
Los Angeles	$227,000	11	11	6.0	1.658 m
Orange	$184,849	21	8	5.0	1.345 m
Riverside	$175,000	3	3	5.0	1.190 m
San Bernardino	$195,173	18	3	6.0	1.153 m
Ventura	$201,690	16	8	3.0	0.857 m
San Diego	$186,276	4	4	8.0	1.941 m

Average EO Salary
Among Other 5 LAFCOs: $196,742

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