

**May 13, 2015**

**STATEMENT OF PROCEEDINGS**

*The Minutes of the*

***SANITATION DISTRICT  
REGULAR MEETING***

**COUNTY OF SAN DIEGO**

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STATEMENT OF PROCEEDINGS  
SAN DIEGO COUNTY SANITATION DISTRICT  
REGULAR MEETING  
MEETING AGENDA  
**WEDNESDAY, MAY 13, 2015, 9:00 A.M.**  
BOARD OF SUPERVISORS NORTH CHAMBER  
1600 PACIFIC HIGHWAY, ROOM 310, SAN DIEGO, CALIFORNIA

MORNING SESSION: Meeting was called to order at 9:01 a.m.

PRESENT: Directors Bill Horn, Chairman; Dave Roberts, Vice Chairman; Dianne Jacob; Ron Roberts; also David Hall, Clerk.

ABSENT: Director Greg Cox

Public Communication: [No Speakers]

**NOTICE:** THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

**Sanitation District Agenda Items**

**Agenda #    Subject**

1.        SECOND CONSIDERATION AND ADOPTION OF ORDINANCE: SET A PROTEST HEARING AND CONDUCT THE HEARING TO AMEND THE DISTRICT FEE ORDINANCE TO ESTABLISH A SEWER SERVICE RATE AND STANDBY CHARGE FOR THE HARMONY GROVE SERVICE AREA OF THE SAN DIEGO COUNTY SANITATION DISTRICT (4/22/2015 – SET HEARING; 5/6/2015 – CONDUCT HEARING; AND 5/13/2015 - CERTIFY RESULTS, ADOPT ORDINANCE)  
(4 VOTES)

**SA1. SUBJECT: SECOND CONSIDERATION AND ADOPTION OF ORDINANCE: SET A PROTEST HEARING AND CONDUCT THE HEARING TO AMEND THE DISTRICT FEE ORDINANCE TO ESTABLISH A SEWER SERVICE RATE AND STANDBY CHARGE FOR THE HARMONY GROVE SERVICE AREA OF THE SAN DIEGO COUNTY SANITATION DISTRICT (4/22/2015 – SET HEARING; 5/6/2015 – CONDUCT HEARING; AND 5/13/2015 - CERTIFY RESULTS, ADOPT ORDINANCE) (DISTRICT: 5)**

**OVERVIEW:**

On May 6, 2015 (SA01), the Board conducted a Public Hearing.

On April 22, 2015 (SA01), the Board set a Hearing for May 6, 2015 and introduced the Ordinance for further consideration and adoption on May 13, 2015.

Harmony Grove Village is an approximately 470-acre project under construction and located in the vicinity of the intersection of Harmony Grove Road and Country Club Drive, west of the City of Escondido (2009 Thomas Guide Page 1129, C-5). Standard Pacific Corp., a Delaware corporation (Standard Pacific), is the developer of Harmony Grove Village. As part of the final map approval process for Harmony Grove Village, Standard Pacific entered into a Joint Improvement Agreement with the County of San Diego that provides for the construction of the sewer facilities needed to serve the project. Once certain criteria are satisfied, as detailed in an agreement with the Developer, responsibility for the sewer facilities will be assumed by the San Diego County Sanitation District (District). At the request of the Developer, and without limiting the Developer's responsibility for the sewer facilities until final acceptance, the District agreed to take action to establish a standby charge and sewer service rate to fund operation and maintenance of the sewer facilities when the District assumes responsibility for maintenance. This will allow Standard Pacific to disclose the sewer service rate to potential home owners. Based on their current schedule, home sales may begin as early as June 2015.

To facilitate adoption of the standby charge and sewer service rate, Standard Pacific submitted a Request and Waiver to the District waiving its notice and hearing rights under Proposition 218 and asked the District to initiate proceedings to establish the rates. In response, the District had an Engineer's Report and Rate Study completed. According to the Engineer's Report and Rate Study, a single charge of up to \$65 monthly (\$780 annually) for each Equivalent Dwelling Unit (EDU), whether charged as a standby charge or sewer service rate was determined to provide sufficient revenue to support District operation and maintenance of the facilities. The rates will only be imposed after the District accepts responsibility for operation and maintenance of the facilities; however the authority to impose them will be established in advance of initial sales. Standard Pacific is required to operate and maintain the sewer facilities until the facilities are constructed and finally accepted by the District.

This Board letter details actions needed to set and hold a protest hearing; and upon conclusion of the protest hearing, assuming there is no majority protest, adopt an ordinance imposing both a sewer standby charge and sewer service rate to provide for the operation and maintenance of the sewer facilities needed to serve properties in Harmony Grove Village.

**FISCAL IMPACT:**

If approved, the requested action will result in standby charges and sewer service rates being established for the Harmony Grove service area within the San Diego County Sanitation District. The established charges and rates will not be imposed until responsibility for operation of the sewer facilities is transferred from the developer to the District. The Harmony Grove Village developer, Standard Pacific, funded the cost of the engineer's reports used to determine the sewer rates and charges for this service area. There will be no change in net General Fund costs and no additional staff years.

**BUSINESS IMPACT STATEMENT:**

N/A

**RECOMMENDATION:**

**CHIEF ADMINISTRATIVE OFFICER**

1. Receive the report from Clerk of the Board certifying the results of the protest hearing and setting forth the Clerk's determination regarding the existence of a majority protest for the standby charge or the sewer service rate.
2. Upon the Clerk's determining that there was no majority protest for either the sewer standby charge or sewer service rate, adopt Ordinance entitled: SAN DIEGO COUNTY SANITATION DISTRICT FEES AND CHARGES FOR THE PROVISION OF SEWER SERVICE. (4 VOTES)

**ACTION:**

The Board of Directors received the Clerk of the Board's report certifying the results of the protest hearing and determining that no majority protest exists for either the sewer standby charge or sewer service rate; ON MOTION of Director Jacob, seconded by Director R. Roberts, the Board of Directors of the San Diego County Sanitation District took action as recommended, and adopted Ordinance No. 10386 (N.S.) entitled: SAN DIEGO COUNTY SANITATION DISTRICT FEES AND CHARGES FOR THE PROVISION OF SEWER SERVICE.

AYES: Jacob, D. Roberts, R. Roberts, Horn

ABSENT: Cox

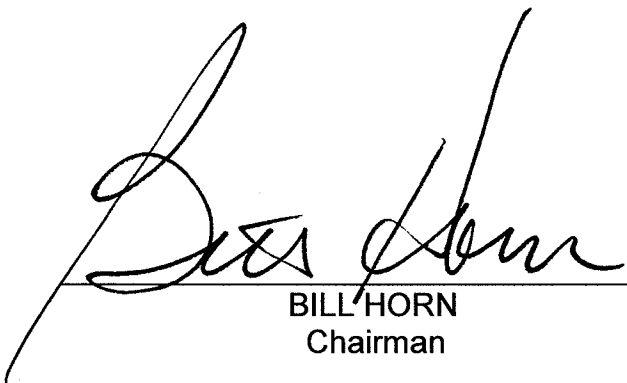
There being no further business, the Board of Directors of the San Diego County Sanitation District adjourned at 9:32 a.m.

DAVID HALL  
Clerk of the Board of Directors  
of Sanitation District

Notes By: Vizcarra

NOTE: This Statement of Proceedings sets forth all actions taken by the County of San Diego Board Directors of Sanitation District on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.

Approved by the Board of Directors, on Tuesday, June 23, 2015.



BILL HORN  
Chairman

Attest:



DAVID HALL  
Clerk of the Board

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