

MINUTES
October 23, 2003

Present Terry Henderson
Commissioners: Bob Buster
Kevin Jeffries
Robert E. Hird
Robin Lowe
Jack W. McFadden
John Tavaglione

Present Staff: George J. Spiliotis, Executive Officer
Wayne Fowler, Local Government Analyst III
Adriana Romo, Local Government Analyst I
Crystal Craig, Local Government Analyst I
Elena Medina, LAFCO Assistant
Joe Rank, Legal Counsel

1. **CALL TO ORDER AND SALUTE TO THE FLAG.**

The meeting was called to order at 9:02 a.m.

2. **APPROVAL OF MINUTES OF SEPTEMBER 18, 2003.**

Minutes were approved with couple of corrections on page 6.

3. **HEARINGS:**

Consent:

- a. LAFCO 2003-15-1-Annexation 21 to County Service Area 132.

Moved (Lowe) seconded (Hird) to approve LAFCO 2003-15-1-Annexation 21 to County Service Area 132 as recommended by staff.
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Continued:

- b. LAFCO 2002-12-5-Reorganization to Include Annexation 26, to the City of Desert Hot Springs and Concurrent Detachment from the Riverside County Waste Resources Management District. **(Continued from September 18, 2003)**

Mr. Fowler presented an updated report.

Chair Henderson opened the public hearing.

Ron Van Blarcom, 23422 Mill Creek Dr. Ste. 105, Laguna Hills, CA 92653. Mr. Van Blarcom spoke in favor of the annexation.

Dean Carter, 8484 Clubhouse Blvd., Desert Hot Springs, CA 92240. Mr. Carter spoke in favor of the annexation.

Norma Finnegan, 9116 Jones Ct., Desert Hot Springs, CA 92240. Ms. Finnegan spoke in favor of the annexation.

Bruce Kassler, 61070 Esparta Dr., Palm Springs, CA. Mr. Kassler spoke in favor of the annexation and stated that he was available to answer any questions.

Chair Henderson closed the public hearing.

Moved (Tavaglione) seconded (Buster) to approve LAFCO 2003-12-5-Reorganization to Include Annexation 26, to the City of Desert Hot Springs and Concurrent Detachment from the Riverside County Waste Resources Management District as recommended by staff.

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- c. LAFCO 1997-06-3-Sphere of Influence Amendment (addition) to the City of Hemet. **(Applicant requests continuance to January 22, 2004)**

Moved (Tavaglione) seconded (Hird) to continue LAFCO 1997-06-3-Sphere of Influence Amendment (addition) to the City of Hemet to January 22, 2004.

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- d. 1997-07-3-Reorganization to Include Annexation 97-140 to the City of Hemet and Concurrent Detachment from County Service Area 152 and the Riverside County Waste Resources Management District. **(Applicant requests continuance to January 22, 2004)**

Moved (Tavaglione) seconded (Hird) to continue 1997-07-3-Reorganization to Include Annexation 97-140 to the City of Hemet and Concurrent Detachment from County Service Area 152 and the Riverside County Waste Resources Management District to January 22, 2004.

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- e. LAFCO 2002-08-1-Wildomar Unincorporated Community Five-Year Review. **(Staff recommends continuance to April 2004)**

Moved (Lowe) seconded (Hird) to continue LAFCO 2002-08-1-Wildomar Unincorporated Community Five-Year Review to April, 2004.

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- f. LAFCO 2003-03-1-Sphere of Influence Amendment (addition) to the City of Murrieta and Removal of the Wildomar Unincorporated Community Designation. **(Staff recommends continuance to April 2004)**

Moved (Lowe) seconded (Hird) to continue LAFCO 2003-03-1-Sphere of Influence Amendment (addition) to the City of Murrieta and Removal of the Wildomar Unincorporated Community Designation to April, 2004.

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- g. LAFCO 2002-39-1-Annexation to Elsinore Valley Municipal Water District. **(Staff recommends continuance to November 20, 2003)**

Moved (Lowe) seconded (Hird) to continue LAFCO 2002-39-1-Annexation to Elsinore Valley Municipal Water District to November 20, 2003, as recommended by staff.

7/0

- h. LAFCO 2002-42-5-Minor Sphere of Influence Amendment (addition) to the Yucaipa Valley Water District and Annexation to the Yucaipa Valley Water District. **(Staff recommends continuance to November 20, 2003)**

Moved (Lowe) seconded (Hird) to continue LAFCO 2002-42-5-Minor Sphere of Influence Amendment (addition) to the Yucaipa Valley Water District and Annexation to the Yucaipa Valley Water District to November 20, 2003, as recommended by staff.

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The Commission decided to take Item No. 5 at this time.

5. REQUEST TO PARTICIPATE IN FUNDING OF WILDOMAR FISCAL/SERVICE ANALYSIS.

Mr. Spiliotis presented the report and stated that staff had received a request from Supervisor Buster and Councilmember Van Haaster, City of Murrieta to participate in the funding for a fiscal analysis and service reviews. He said that the request was for 20% of the total cost to not exceed \$20,000. He said that the \$20,000 was the estimated cost for the municipal service review portion.

Commissioner Tavaglione asked Mr. Spiliotis who was paying for the other 80% percent and Mr. Spiliotis responded that most likely; it would be the County and the City.

Commissioner Buster stated that the request will benefit LAFCO in the long run because of the municipal service reviews required to be done in that area.

Commissioner Tavaglione discussed the need to put this request into a Policy to avoid setting precedent with similar requests in other areas.

Commissioner Buster commented that the amount requested was actually, a nominal amount compared to what LAFCO will have to pay, when the reviews are done.

Commissioner Lowe also agreed with Commissioner Tavaglione that if they approved the request, they will be setting a precedent. She expressed concern with what that amount will do to the LAFCO's budget.

Commissioner Buster did not agree with both Commissioners. He said that he did not think, if the request was approved, they will be setting a precedent.

Chair Henderson opened the public hearing.

Jack Van Haaster, Councilmember, City of Murrieta, 24641 Washington, Murrieta, CA 92562. Mr. Van Haaster stated that the reason they initiated the request was because they were interested in submitting a sphere of influence amendment application once the service reviews were done. He said that the basis for asking LAFCO for their help was that 20% of the work needed to be done was related to the municipal service reviews that LAFCO was required to do.

Commissioner Tavaglione stated that he did not oppose the request in concept. He said that what he was opposed to was setting a precedent if the request was approved. For this reason, he felt that a policy needed to be in place. He said that once the policy was in place, the matter will not be an issue any longer when future requests come before LAFCO.

Mr. Van Haaster explained to the Commission the cost savings to LAFCO if they approved the request.

Commissioner Buster asked Mr. Spiliotis if it was going to be more costly for LAFCO if they conducted the municipal service reviews for Wildomar. Mr. Spiliotis responded that LAFCO would not do a municipal service review just for Wildomar. He said that they would do them on a sub-regional basis. He said that they would do the entire southwest area of the County not just Wildomar.

Chair Henderson asked Mr. Spiliotis if the work needed to be done for this area will be duplicated once the sub-regional service reviews were conducted. Mr. Spiliotis responded in the negative. He said that this request will definitely represent some savings to LAFCO.

Commissioner Lowe also expressed her concerned with setting a precedent if the request was approved. She asked Supervisor Buster if every County Supervisor was going to participate at the same level he was willing to participate.

Commissioner Buster responded that the Board of Supervisors voted unanimously to assist the unincorporated communities, but he could not speak for the other Supervisors.

Commissioner Tavaglione asked Mr. Spiliotis if there were two or three requests like this throughout the year, how it was going to affect the LAFCO budget. Mr. Spiliotis responded that the budget will definitely be affected.

Commissioner Tavaglione stated that if there were no definite criteria set in place regarding these matters, every time this issue came before the LAFCO Commission, the same type of discussions will take place.

Sheryl Ade, 35255 Amatista Avenue, Wildomar, CA 92595. Ms. Ade expressed her support for the request.

Kami Sabetzadeh, 21260 Ciefo Vista Way, Wildomar, CA 92595. Mr. Sabetzadeh expressed his support for the request.

Joe McCabe, 35183 Portola Place, Wildomar, CA 92585. Mr. McCabe expressed his support for the request.

Commissioner Jeffries asked how much money was allocated for the service reviews. Mr. Spiliotis responded in the high \$300,000's. Commissioner Jeffries asked how much of that money had already been committed. Mr. Spiliotis responded that approximately \$100,000 was committed.

Commissioner McFadden expressed his support for Supervisor Buster's request.

Chair Henderson stated that the precedent they would be setting, if any, was not a partnership with cities to fund the MSRs. She said that cities were already funding those by virtue of their participation with 1/3 of the LAFCO budget.

Commissioner Lowe felt that she had a responsibility to the LAFCO budget to set some guidelines for future requests.

Commissioner Hird stated that if Commissioner Buster would make the motion to approve the request he would second the motion.

Commissioner Buster moved to approve the request as stated in the report and asked staff to return in January, 2004 with a draft policy regarding cost-sharing for future requests.

Commissioner Hird seconded the motion.

Commissioner Tavaglione expressed his disagreement with the motion. He said that he would only support the part where it stated that it will be put into a policy.

Commissioner McFadden stated that Commissioner's Buster motion was in agreement with Commissioner's Tavaglione's request.

Commissioner Jeffries asked Commissioner Buster when he was planning to take to the Board his request for their 40% share. Commissioner Buster responded that it would have to be very soon. He said hopefully, within the next two or three weeks.

Commissioner Jeffries asked what would be the consequences if this request was postponed for one month. Commissioner Buster stated that if this request would make everyone more comfortable then he would move for a one-month continuance.

After further discussion by the Commission, it was decided to approve Commissioner Buster original request.

Moved (Buster) seconded (Hird) to approve the Request for LAFCO participation in funding of Wildomar Governance Alternatives Analysis, 20% of the total cost, not to exceed \$20,000. The Executive Officer

was directed to return at the January 22, 2004 meeting with a draft policy regarding future requests for cost sharing funding.

5/2 (Tavaglione and Henderson voted No)

i. LAFCO 2003-17-3-Annexation 67 to County Service Area 103.

(Continued from September 18, 2003)

Mr. Spiliotis stated that the only reason this item was not on the consent calendar was because the proposal was an inhabited annexation and if approved, a protest hearing would have to be conducted. He said that other than that it was a routine annexation for street lighting.

Moved (Lowe) seconded (Jeffries) to approve LAFCO 2003-17-3-Annexation 67 to County Service Area 103.

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j. LAFCO 2003-11-5-Reorganization to Include Annexation 95 to the City of Riverside and Concurrent Detachments from County Service Area 126 and the Riverside County Waste Resources Management District

Mr. Spiliotis presented the proposal. He further stated that staff learned, after the publication of the public hearing notice, that CSA 126, though it was created subsequent to Proposition 13, was receiving a portion of the base property tax levy. He said that this property tax apportionment was apparently "inherited" from a now defunct highway lighting district. He said that staff's recommendation was to hear testimony at this time, and continue the matter for one-month to allow the City and County to adopt additional property tax resolutions.

Commissioner Tavaglione recommended that the City of Riverside annex the area on the map in white near the wash north of the proposal because the residents of this area often consider themselves as being part of the City of Riverside. He said that he would like to see this done before the annexation moved forward.

Chair Henderson opened the public hearing.

The following persons spoke in favor of the annexation proposal.

Beverly Williams, 722 Forest Park Drive, Riverside, CA 92501.

Jennifer Wohlgemuth, 686 Forrest Park Dr., Riverside, CA 92501.

James Wood, 3410 Chase Road, Riverside, CA 92501.

Jeff Belier, City of Riverside, 3900 Main Street, Riverside, CA 92506.

The following persons spoke in opposition of the annexation proposal.

Carol L. Jensen, 654 Kemp St., Riverside, CA 92501.

Commissioner Buster asked Mr. Belier if he would be available to respond to the concerns of the residents of the area. Mr. Belier responded in the affirmative.

Commissioner Tavaglione asked Mr. Belier what the City of Riverside's position would be if they were to annex the area north of the wash. Mr. Belier responded that the City believed that it would be a logical annexation. However, he felt, that the residents of that area considered themselves as part of Highgrove.

Moved (Tavaglione) seconded (Buster) to continue LAFCO 2003-11-5-Reorganization to Include Annexation 95 to the City of Riverside and Concurrent Detachments from County Service Area 126 and the Riverside County Waste Resources Management District to November 20, 2003.

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- k. LAFCO 2003-28-4-Reconsideration of LAFCO Resolution 37-03 Approving LAFCO 2002-27-4-Reorganization to Include 36 to the City of Palm Desert and Detachment from the Riverside County Waste Resources Management District.

Mr. Spiliotis presented the report. He said that the Commission had the ability to approve, modify, or continue the request for one month.

Chair Henderson opened the public hearing.

Sabby Jonathan, 42620 Caroline Ct. #102, Palm Desert, CA 92211. Mr. Jonathan spoke against approving the reconsideration.

Jean Benson, Mayor, City of Palm Desert, 43-510 Fred Waring, Palm Desert, CA 92260. Mayor Benson spoke in favor of approving the reconsideration.

Philip Drell, Economic Development Department, City of Palm Desert, 43-510 Fred Waring, Palm Desert, CA 92260. Mr. Drell spoke in favor of approving the reconsideration.

John Criste, 4005 Farrell Dr., B-2005, Palm Springs, CA 92262. Mr. Criste spoke in favor of approving the reconsideration.

Ted R. Lennon, 75-223 Via Miraposa, Indian Wells, CA 92210. Mr. Lennon spoke in favor of approving the reconsideration and including the nine parcels with the annexation.

Commissioner Jeffries moved to deny the reconsideration. The motion died for lack on a second.

Chair Henderson recommended a continuance to allow time for all parties involved to work out some of the issues of concern.

Moved (Henderson) seconded (Tavaglione) to continue LAFCO 2003-28-4-Request for Reconsideration-LAFCO 2002-27-4-Reorganization to Include Annexation 36 to the City of Palm Desert to November 20, 2003.

6/1 (Jeffries No)

Commissioner Tavaglione left at 11:38 a.m.

4. RECEIVE AND FILE:

- a. **INFORMATION ITEMS: Proposals Received (Government Section 56857, 56751)**

The Commission acknowledged receipt of five proposals.

- b. **MONTHLY EXPENDITURE REVIEW.**

The Commission received and filed the Monthly Expenditure Review Report.

7. STATUS OF AD HOC COMMITTEE ON UNINCORPORATED COMMUNITY ISSUES.

The Ad Hoc Committee agreed to meet on Wednesday, November 12, 2003, 2:00 p.m. to discuss the Unincorporated Community Issues.

Commissioner Lowe left at 11:40 a.m.

6. REQUEST FOR PROVISION OF EXTRA-TERRITORIAL SERVICES: VALLEY SANITARY DISTRICT.

Mr. Fowler presented the report.

Moved (Jeffries) seconded (Hird) to approve the Request for provision of Extra-Territorial Services: Valley Sanitary District.
5/2 (Lowe and Tavaglione absent)

8. BUDGET ADJUSTMENT FOR REFUNDS.

Mr. Spiliotis stated that under the County's previous financial system, a specific appropriation category was not required in order to process a refund. He said that under the current County's system it is required that a specific appropriation category exist in the approved budget in order to process a payment. He asked the Commission to approve an amendment to its budget to include an appropriation for refunds and offsetting revenue.

Moved (Buster) seconded (Hird) to approve the request for a Budget Adjustment for Refunds as recommended by staff.
5/2 (Tavaglione and Lowe Absent)

9. MISCELLANEOUS STAFF REPORTS.

There were no miscellaneous staff reports.

10. PUBLIC COMMENTS.

Gary Grant, 27068 Jarvis St., Perris, CA 92578. Mr. Grant expressed his concern with regards to the municipal service reviews in his area and the real intentions by the City of Murrieta in regards to Wildomar Unincorporated Community.

11. **EXECUTIVE SESSION:**

With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.9:

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION.

Subdivision (a) of Section 54956.9:

- a. **Regency Outdoor Advertising, Inc. et al. vs. LAFCO et al.**
(Case No. RIC 393 995)

There was no executive session

12. **ADJOURNED.**

The Commission adjourned at 11:50 a.m.

Respectfully,

George J. Spiliotis
Executive Officer