

2.
9/18/2003

MINUTES
JULY 31, 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 9:05 a.m.

2. **APPROVAL OF MINUTES OF MAY 29, 2003, AND JUNE 26, 2003.**

Minutes were approved as presented.

3. **HEARINGS:**

Consent:

a. LAFCO 2002-39-1-Annexation to Elsinore Valley Municipal Water District. **(Staff recommends continuance to September 18, 2003)**

Moved (Tavaglione) seconded (Buster) to continue LAFCO 2002-39-1-Annexation to Elsinore Valley Municipal Water District to September 18, 2003 as recommended by staff.
6/0 (Lowe absent)

b. LAFCO 2003-09-3-Annexation 64 to County Service Area 103.

Moved (Tavaglione) seconded (Buster) to approve LAFCO 2003-09-3-Annexation 64 to County Service Area 103 as recommended by staff.
6/0 (Lowe absent)

- c. LAFCO 2003-10-3-Annexation 66 to County Service Area 103. (**Staff recommends continuance to September 18, 2003**)

Moved (Tavaglione) seconded (Buster) to continue LAFCO 2003-10-3-Annexation 66 to County Service Area 103 to September 18, 2003 as recommended by staff.

6/0 (Lowe absent)

- d. LAFCO 2003-07-3-Reorganization to Include Annexation of the 72nd Fringe to Eastern Municipal Water District and the Metropolitan Water District of Southern California.

Moved (Tavaglione) seconded (Buster) to approve LAFCO 2003-07-3-Reorganization to Include Annexation of the 72nd Fringe to Eastern Municipal Water District and the Metropolitan Water District of Southern California as recommended by staff.

6/0 (Lowe absent)

- e. LAFCO 2003-13-3-Reorganization to Include Concurrent Annexations to Rancho California Water District, Eastern Municipal Water District and the Metropolitan Water District of Southern California.

Moved (Tavaglione) seconded (Buster) to approve LAFCO 13-3-Reorganization to Include Concurrent Annexations to Rancho California Water District, Eastern Municipal Water District and the Metropolitan Water District of Southern California as recommended by staff.

6/0 (Lowe absent)

Commissioner Lowe arrived at 9:13 a.m.

COI/UC ITEMS:

- f. Review of Community of Interest and Unincorporated Community Policies.

Commissioner Buster commented that due to an important settlement meeting regarding the March Business Park, he was going to have to leave at 11:30 a.m. He said that the meeting had to be scheduled within a narrow window of time; therefore he apologized for the inconvenience this may have caused.

Commissioner Tavaglione also commented that he needed to leave no later than 11:40 a.m.

Mr. Spiliotis gave a brief summary of the staff report presented to the Commission.

Mr. Hird asked if the UC status was granted, an Environmental Impact Report was going to be required. Mr. Spiliotis stated that LAFCO will still have to evaluate each application on a case-by-case basis.

Mr. Rank stated that in most instances it was the sphere of influence amendment that seem to be the issue of concern.

Commissioner Lowe commented that Riverside County was the only County that had UCs.

Chair Henderson opened the public hearing.

The following persons spoke in favor of retaining the COI/UC Designations:

Harv Dykstra, Chairman, WIN, P. O. Box 1348, Wildomar 92595.

Ralph Hileman, 14176 Grande Vista, Lake Mathews, Ca 92570.

Sheryl Ade, Wildomar MAC, 35255 Amatista, Wildomar, CA 92595.

Bob Cashman, Wildomar Chamber of Commerce, 23630 Peggy Lane, Wildomar, CA 92595.

Art Cassel, 18350 Harley John Road, Lake Mathews, CA 92504.

Eugene Jones, 17139 Chico Dr., Lake Mathews, CA 92570.

Russ Henson, 18098 Hickory Tree Lane, Lake Mathews, CA 92504.

Ace Vallejos, 15231 Cobre St., Cleveland Ridge, CA 92530.

Gary Grant, 27068 Jarvis, Perris, CA 92570.

Nancy Banda, 22960 Paula Court, Wildomar, CA 92595.

Roger Reid, 14127 Moonridge Dr., Riverside, CA 92503.

Gregory V. Schook, Mayor, City of Calimesa, Calimesa, California 92320.

Dave Andrews, 40225 Dutton, Cherry Valley, CA 92223.

Max Stark, 22668 Hunwut Dr., Wildomar, Ca 92595.

Stanley Riddell, 9601 Avenida San Timoteo, Cherry Valley, CA 92223.

Alison Schilling, 18550 Country Pine, Lake Mathews, CA 92576.

Cynthia Ferry, 16115 Rocky Bluff Rd., Gavilan Hills, CA 92570-7471.

John Guzman, 17540 Bodkin Ave., Lake Elsinore, CA 92530.

Laurie Taylor, 14679 Descanso Dr., Lake Mathews, CA 92570.

Marc Miller, 33320 Merritt Road, Menifee, CA 92584.

Norm Gritton, 27245 Highway 74, Meadowbrook, CA 92540.

Marie Taylor, 34041 Harrow Hill Road, Wildomar, CA 92595.

Marie Locke, 15025 Monty Ct., Cleveland Ridge, CA 92530.

Glenn A. Stull, 38546 Vineland Avenue, Cherry Valley, CA 92223.

The following persons spoke against retaining the COI/UC Policies:

Jerry Herman, City of La Quinta, P. O. Box 1504, La Quinta, CA 92253. Mr.

Armando Villa, City of Lake Elsinore, 130 S. Main St. Lake Elsinore, CA 92530.

Joe McCabe, 35183 Portola Place, Wildomar, CA 92595.

Hal Diaz, 35306 Portola Place, Wildomar, Ca 92595.

Susan Harvey, 77899 Wolf Road, Palm Desert, CA 92211.

Patrick O'Dowd, 49-460 Rancho San Francisquito, La Quinta, CA 92253.

Duane Young, 60-500 Van Buren Avenue, Thermal, CA 92274.

John Gamlin, 81-100 Avenue 53, La Quinta, CA 92253.

Chair Henderson closed the public hearing.

Commissioner Tavaglione expressed his support for the COIs and UC Designations. Commissioner Tavaglione commented that the COI was a mechanism to bring a community together. He said that it was the mechanism to open the discussions between the members of the community and surrounding cities. He said that he was in support of the COI but was also in support of tightening the rules to ensure that they will only go on for a period of time. He said that when the period expired, if the community and cities had not come to an agreement, then it should be disbanded because it was apparent that they had not done their work. Commissioner Tavaglione discussed the UCs and stated that the UCs needed to have a clear and definite deadline. He said that if within the period of time allotted they had not accomplished what their goals were then it should be disbanded as well. He also discussed the EIR issue. He said that there needed to be a process to redefine the COIs and the UCs if they were going to continue.

Commissioner Buster hoped that this matter would be continued to have an opportunity to participate. He stated that the County was a very diverse County and every COI had a different set of circumstances; therefore, he hoped that the Commission looked at these issues before making their final decision. Commissioner Buster expressed the importance of the COI Policies.

Commissioner Henderson asked Mr. Spiliotis to go over the process for annexation and Mr. Spiliotis complied with said request.

Commissioner Buster and Commissioner Tavaglione left at 11:30 a.m.

The Commission recessed to Executive Session at 11:30 a.m.

13. **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)

The Commission reconvened at 12:20 p.m.

Mr. Rank stated that there were no reportable actions taken.

Commissioner Jeffries moved to continue Item f. Review of Community of Interest and Unincorporated Community Policies to the next hearing. The motion died for lack of a second.

Commissioner Lowe commented that the people in her community were able to be on the City's Commissions and had a unique ongoing communication among all the parties involved even though they did not always agree. She said that there was a process for incorporation and annexation and if the community did not agree with that effort the people's voice was heard. She discussed how the property tax and sales tax shift was going to affect the Cities and the surrounding communities. She complimented the COIs who were involved and made their voices heard.

Commissioner Hird expressed that the COI Policies needed to be restructured and sunset at one point because under State Law there were no basis for having the COIs.

Commissioner McFadden expressed his support for staff's recommendation. He said that their voting rights will give them as much protection as anything else.

Commissioner Henderson stated that by continuing the UCs or COIs it will give the communities a false sense of security. She discussed the importance of people in the community to be involved because when they get involved their voices will be heard.

Commissioner Hird stated that this Commission and any future Commissions will not allow piecemeal annexations because of its Guidelines.

Commissioner Lowe moved to allow all existing COIs to continue for one year and after one year they will automatically sunset. She also stated that if there were any pending COI applications currently in the process of submitting an application, they will be accepted and sunset after one-year. She also moved that all current UCs be reviewed on a case by case basis as it would be under the current policy. Commissioner Lowe moved to not accept any new UCs.

Commissioner Hird seconded Commissioner's Lowe motion.

Mr. Spiliotis pointed out that there were no COI applications in process.

Moved (Lowe) seconded (Hird) to allow the existing COIs to continue for one year and terminate after the year has lapsed. It was also moved that all current UCs be reviewed on a case by case basis and that no new UCs will be accepted.

4/1 (Jeffries No)

Mr. Rank suggested that the Commission direct the Executive Officer to return the following hearing with the revised COI Policies as approved by the Commission at this hearing.

Chair Henderson agreed with Mr. Rank's requested and directed staff to return on September 18, 2003, with the revised COI Policies as approved by the Commission supporting the Commission's action.

Commissioner Jeffries asked County Counsel if the following COI items, g, h, and i needed to be decided separate.

Mr. Rank stated that due to the current COI Policy just approved by the Commission, it was inconsistent with accepting their designation. However, the items were placed on a the public hearing calendar therefore, the people who were here to speak on these items were entitled to be heard.

The Commission decided to take Item j.

j. 2002-24-3-Cherry Valley Unincorporated Community-Review of Five-year Report. **(Continued from June 26, 2003)**

Mr. Spiliotis presented the report. Mr. Spiliotis stated that one of the major issues of this report was in regard to the boundaries. He said that the Sunny Cal Egg and Poultry Ranch had requested to be excluded from the UC Designation.

Commissioner Lowe asked which city, the Sunny Cal Poultry Ranch would like to annex? Mr. Spiliotis responded that they would like to keep their options open at this time.

Commissioner Henderson opened the public hearing.

In Favor of the UC Designation:

Art Cassel, 18350 Harley John, Lake Mathews, Ca 92504. Mr. Cassel expressed his opposition regarding the COI Policies decision.

Stanley Riddell, 9601 Avenida San Timoteo, Cherry Valley, CA 92223. Mr. Riddell asked the Commission to maintain the integrity of the boundaries that the Commission had previously approved.

Chair Henderson asked how the Sunny Cal Ranch would affect their community if it was kept out of the UC Designation. Mr. Riddell responded that it would remove a significant part of their community. He said that they will have a lesser geographical area to annex.

Commissioner Lowe asked Mr. Riddell the outcome of the meeting with Sunny Cal. Mr. Riddell stated that they discussed the development of the property. Mr. Riddell stated that they asked that the development of the property be within the Cherry Valley Community plan which provided for one-acre lots. Mr. Riddell stated that they had told the Sunny Cal Ranch that they were receptive to any future meetings at their convenience. He said that they had not heard from them since then.

Frances Flanders 39970 Dutton St., Cherry Valley, CA 92223.

In Opposition of the UC Designation

Michael Grant, Best, Best & Krieger, 3750 University Avenue, Ste. 400, Riverside, CA 92501. Mr. Grant spoke on behalf of the Sunny Cal Egg and Poultry Ranch and the reasons why they would like to be outside the UC Designation area.

REBUTTAL

Stanley Riddell, 9601 Avenida San Timoteo, Cherry Valley, CA 92223. Mr. Riddell commented regarding BB&K's letter. He said that the UC had no jurisdictional power. He said that they were more of an advisory body. He said that they were open to discuss their issues of concern.

Chair Henderson closed the public hearing.

Moved (Lowe) seconded (Hird) to receive and file the 5-Year Report for LAFCO 2002-24-3-Cherry Valley Unincorporated Community.
4/1 (Henderson No)

The Commission decided to take Items k. and l. at this time.

- k. LAFCO 1997-06-3-Sphere of Influence Amendment (addition) to the City of Hemet (**Applicant requests continuance to October 23, 2003**)
- l. LAFCO 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 October 23, 2003**)

Moved (Lowe) seconded (Hird) to continue LAFCO 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 and LAFCO 1997-06-3-Sphere of Influence Amendment (addition) to the City of Hemet to October 23, 2003 as requested by the Applicant
5/0

- m. LAFCO 2002-27-4-Reorganization to Include Annexation No. 36 to the City of Palm Desert and Concurrent Detachment from the Riverside County Waste Resources Management District.

Mr. Fowler presented the proposal as outlined in the staff report.

Mr. Fowler stated that staff's recommendation was to approve the annexation as presented and for the Commission to consider modifying the boundaries to remove these 9 parcels comprising of 35 acres of uninhabited territory from the annexation.

Chair opened the public hearing.

Steve Smith, 73-510 Fred Waring, Palm Desert, CA 92260, City of Palm Desert Planning Department. Mr. Smith expressed his support on behalf of the City of Palm Desert.

John Criste, 400 S. Farrell Dr., B-205, Palm Springs, CA 92262. He said he was representing the applicant, Miller Richards Partnership. Mr. Criste spoke in favor of the annexation.

Ted R. Lennon, 74-226 Via Mariposa, Indian Wells, CA 92210. Mr. Lennon was representing the Crest Development. Mr. Lennon spoke on the importance of having all the parcels in the Crest Development.

Commissioner Henderson asked Mr. Lennon if he had discussions with the owners of the 9 parcels. Mr. Lennon stated that at least one of the owners was aware of the annexation.

Sabby Jonathan, 42620 Caroline Ct., Ste. 102, Palm Desert, CA 92211. Mr. Jonathan stated that he was the property owner of the 5-acre parcel. Mr. Jonathan spoke regarding his opposition to be annexed to the City of Palm Desert.

REBUTTAL:

John Criste, 400 S. Farrell Dr., B-205, Palm Springs, CA 92262. He said that the access to the development was going to be 20 ft. or greater. He said that it was going to be improved in such a way that ambulances would have an easy access to the development if needed. Mr. Criste stated that the City of Palm Desert was not attempting to control the size of the house to be built in those parcels. He said that the same values that the people would bring in developing those areas were the same values the City of Palm Desert held.

Commissioner McFadden expressed his concern with the property owners being coerced to annexing to the City of Palm Desert.

Moved to (Jeffries) seconded (Lowe) to approve LAFCO 2002-27-4-Reorganization to Include Annexation No. 36 to the City of Palm Desert and Concurrent Detachment from the Riverside County Waste Resources Management District with the exclusion of the 9 parcels as requested by the property owners to September 18, 2003, as recommended by staff.

5/0

n. 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 September 18, 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.

5/0

4. **RECEIVE AND FILE:**

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

The Commission acknowledged receipt of six new proposals.

- b. **Monthly Expenditure Review.**

The Commission received and filed the Monthly Expenditure Review Report.

5. **REVIEW OF INCORPORATION GUIDELINES. (Continued from June 26, 2003)**

Moved (Lowe) seconded (Hird) to approve the Review of Incorporation Guidelines as recommended by staff.

4/1 (Jeffries No)

6. **REQUEST FOR A CHANGE OF APPOINTMENT TO WOODCREST COMMUNITY OF INTEREST COMMITTEE. (Continued from June 26, 2003)**

Mr. Spiliotis stated that there was no action to be taken on this item because there was no longer a replacement.

The Commission decided to take Item 8. at this time.

8. **REQUEST FOR WAIVER OF FEES FOR THE CITY OF MURRIETA REORGANIZATION PROPOSAL - LAFCO 2003-18-3.**

Moved (Lowe) seconded (Hird) to approve the Request for Waiver of Fees for the City of Murrieta Reorganization Proposal - LAFCO 2003-18-3.

5/0

9. **SELECTION OF FIRM TO PERFORM LAFCO AUDIT.**

Mr. Spiliotis stated that the County of Riverside on LAFCO's behalf had issued an RFP to either 9 or 10 firms and only two firms had attended the pre-bid conference. He also stated that only one submitted a proposal. He said that in discussions with the Auditor-Controller's Office, it was a fine firm. He asked that the Commission authorize the Chair to execute the contract to perform the audit. He said that the proposal was for years 2001-2002, 2002-2003 and 2003-2004.

Moved (McFadden) seconded (Lowe) to authorize the Chair to execute the contract to perform the audit for years 2001-2002, 2002-2003, and 2003-2004.

10. **REQUEST FOR WAIVER OF FEES FOR BEAUMONT-CHERRY VALLEY WATER DISTRICT ANNEXATION PROPOSAL - LAFCO 2003-23-5.**

Mr. Fowler presented the request from the Beaumont-Cherry Valley Unified School District.

Moved (Hird) seconded (McFadden) to deny the Request for Waiver of Fees for Beaumont-Cherry Valley Water District Proposal - LAFCO 2003-23-5 as recommended by staff.

5/0

- g. 1994-31-1&5-Community of Interest #8-Meadowbrook-Request for Designation as an Unincorporated Community and Amendment to the Sphere of Influence (removal) to the City of Lake Elsinore.

Mr. Spiliotis presented the report and gave a brief history of what had transpired on February 27, 2003. Mr. Spiliotis stated that if a COI requested to be removed from the Lake Elsinore sphere of influence, an EIR will be required and the COI, as the applicant, will be responsible.

Chair Henderson opened the public hearing.

Gary A. Grant, 27068 Jarvis St., Perris, CA 92570, representing the Meadowbrook COI. Mr. Grant expressed his opposition to the request for the Meadowbrook Community to do an EIR. He also expressed his opinion regarding the need for the communities to be supported and recognized.

Commissioner Lowe asked Mr. Grant if he had approached his County Supervisor for funding for the EIR. Mr. Grant responded in the negative.

Armando Villa, City of Lake Elsinore, 130 S. Main St. Lake Elsinore, CA 92530. Mr. Villa stated that due to the Commission's decision on COIs, the City of Lake Elsinore had nothing else to add at this time.

Chair Henderson closed the public hearing.

Mr. Rank stated that he did not know of any action the Commission could take at this time due to that morning's decision regarding COI Policies. He said that perhaps the only thing to do was to receive and file the report.

The Commission received and filed the Meadowbrook COI #8 Report.

- h. 1995-16-1-Community of Interest #9-Cleveland Ridge Request for Designation as an Unincorporated Community and Amendment to the Sphere of Influence (removal) to the City of Lake Elsinore.

Mr. Spiliotis presented the report and gave a brief history of what had transpired on February 27, 2003. Mr. Spiliotis stated that if a COI requested to be removed from a sphere of influence, the COI will be the applicant and an EIR will be required.

Chair Henderson closed the public hearing.

Ace Vallejos, 15231 Cobre St., Cleveland Ridge, CA 92530. Mr. Vallejos expressed the need for the municipal service reviews to be done as soon as possible. Mr. Vallejos requested the removal of the sphere of influence from the City of Lake Elsinore from the Cleveland Ridge Community of Interest. He asked that the COI Polices be placed on the Board of Supervisors' Agenda.

Marie Locke, 15025 Monty Ct., Cleveland Ridge, CA 92530. She expressed her disappointment with the Commission's decision regarding the COI Policies. She felt that it was LAFCO's responsibility to prepare the Environmental Impact Report according to Judge Holmes ruling. She said that the Community of Cleveland Ridge was officially requesting that the municipal service reviews be conducted as soon as possible, hopefully, within the one-year grace period.

The Commission decided to take Item 7. at this time.

7. REQUEST FOR APPOINTMENT TO CLEVELAND RIDGE COMMUNITY OF INTEREST COMMITTEE.

Moved (Jeffries) seconded (Hird) to approve the Request for Appointment to Cleveland Ridge Community of Interest Committee as recommended by staff.

4/0

Peter H. Dawson, 18010 Grand Avenue, Lake Elsinore, CA 92530. Mr. Dawson asked why there was a vote taken under Item 3.f. rather than Items g.h. and i. which were the actual items voted on. Mr. Rank responded that Item 3.f. was the COI Policies which covered the overall concept of the Communities of Interest and Unincorporated Communities. He said that it did not cover a specific area. He said that the Commission needed to take action on Item 3.f. to decide whether or not there was a need to deal with the other issues. Mr. Dawson expressed his opposition to the decision taken by the Commission regarding the COI Policies.

The Chair closed the public hearing.

The Commission received and filed the Cleveland Ridge COI #9 Report.

- i. 1996-03-1-Community of Interest #11-Warm Springs-Request for Designation as an Unincorporated Community and Amendment to the Sphere of Influence (removal) to the City of Lake Elsinore.

Mr. Spiliotis presented the Report and stated that staff's recommendation was for denial of the UC Designation because of the extremely poor service boundaries. He said that approval of the request would be like an acceptance of the area as a permanent island.

William Flores, 28391 Red Gum, Lake Elsinore, CA 92509. Mr. Flores commented that Warm Springs had been united for a long time, therefore; he would appreciate it if the Commission approved the request.

Armando Villa, City of Lake Elsinore, 130 S. Main St. Lake Elsinore, CA 92530. Mr. Villa stated that he City of Lake Elsinore was in agreement with staff's recommendation. He said that he was available for questions.

Chair Henderson closed the public hearing.

Commissioner Lowe moved to deny Community of Interest #11-Warm Springs Request for Designation as an Unincorporated Community as recommended by staff. Commissioner Hird seconded the motion. There being not enough votes, the matter was continued to September 18, 2003.

3/1 (Jeffries No)

11. **MISCELLANEOUS STAFF REPORTS.**

Mr. Spiliotis informed the Commission that there was an opening on the CALAFCO Executive Board if anyone was interested in applying for the position. No interest was expressed.

12. **PUBLIC COMMENTS.**

Gary Grant, 27068 Jarvis St., Perris, CA 92570. Mr. Grant discussed the AB 2838 process.

Max Stark, 22668 Hunwut Dr., Wildomar, CA 92595. Mr. Stark expressed his opposition to the new decision regarding COI Policies.

13. **ADJOURNED.**

The Commission adjourned at 3:30 p.m.

Respectfully,

George J. Spiliotis
Executive Officer