

2.
9/23/2004

MINUTES
AUGUST 26, 2004

Present Terry Henderson
Commissioners: Bob Buster
Kevin Jeffries
Robert E. Hird
Robin Lowe
Ron Starrs
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 9:00 a.m.

2. **APPROVAL OF MINUTES OF JUNE 24, 2004.**

Minutes were continued to September 23, 2004.

3. **HEARINGS:**

Consent:

- a. LAFCO 2004-11-3-Reorganization to Include Annexation to Valley-Wide Recreation and Park District and Annexation 60 to County Service Area 84.

Moved (Buster) seconded (Tavaglione) to approve LAFCO 2004-11-3-Reorganization to Include Annexation to Valley-Wide Recreation and Park District and Annexation 60 to County Service Area 84.
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- b. LAFCO 2004-15-1-Annexation 1 to County Service Area 117.

Moved (Buster) seconded (Tavaglione) to approve LAFCO 2004-15-1-Annexation 1 to County Service Area 117.
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Continued:

- c. LAFCO 2002-08-1-Review of Wildomar Unincorporated Community.
(Continued from April 29, 2004)

Moved (Jeffries) seconded (Lowe) to continue LAFCO 2002-08-1-Review of Wildomar Unincorporated Community to *October 28, 2004*.
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- d. LAFCO 2003-03-1-Sphere of Influence Amendment (addition) to the City of Murrieta (Wildomar area) and Removal of Wildomar UC Designation.
(Continued from April 29, 2004)

Moved (Jeffries) seconded (Lowe) to continued LAFCO 2003-03-1-Sphere of Influence Amendment (addition) to the City of Murrieta (Wildomar area) and Removal of Wildomar UC Designation to *October 28, 2004*.
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New:

- e. LAFCO 2003-35-5-Annexation 16 to County Service Area 89.

Mr. Spiliotis presented the proposal and recommended approval as presented by staff.

Chair Henderson opened the public hearing and there being no proponents or opponents wishing to speak the public hearing was closed.

Moved (Lowe) seconded (Tavaglione) to approve LAFCO 2003-35-5-Annexation 16 to County Service Area 89.
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- f. LAFCO 2004-06-1-Reorganization to Include Annexation 96B to the City of Riverside and Concurrent Detachment from the Riverside County Waste Resources Management District.

Mr. Spiliotis stated that there was an addendum in their folders recommending a one-month continuance because there was no effective property tax agreement between the County and the City for this proposal. He said that the annexation area had been included in a previous annexation acted upon by the City. He said that City and County staff had given preliminary indications that the tax resolutions adopted previously would apply to the current proposal. He said that the City confirmed that position approximately a month and half ago. However, staff had just recently received a letter from the County stating that they would like to adopt a separate tax exchange resolution for this proposal. He said that because there was not a corresponding property tax resolution for this proposal, the Commission could not proceed. He stated that if the Commission would like to open the public hearing for the purpose of hearing testimony on the continuance, it would be fine. He said that staff's recommendation was to continue this proposal for one month.

Commissioner Buster commented regarding the roadways and circulation on the staff report. He stated that County Transportation had commented on the alignment of Chicago Avenue. Commissioner Buster discussed a road alignment problem on Chicago Avenue. He said that this issue had not been resolved and that the County and the City were continuing to work on this issue.

Commissioner Jeffries expressed concern regarding future annexation 100. Mr. Spiliotis stated that this proposal had not been submitted to LAFCO by the City; however, staff wanted to make the Commission aware that the City of Riverside was working on this and expected to receive the proposal shortly.

Mr. Roger Hobbs, R. C. Hobbs Company, 1430 E. Chapman Avenue, Orange, CA 92866. Mr. Hobbs spoke against continuing the proposal.

Moved (Lowe) seconded (Buster) to continue LAFCO 2004-06-1-Reorganization to Include Annexation 96B to the City of Riverside and Concurrent Detachment from the Riverside County Waste Resources Management District to September 23, 2004.

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- g. LAFCO 2004-12-4-Reorganization to Include Annexation 52 to the City of Coachella, the Coachella Fire Protection District (subsidiary), the Coachella Sanitary District (subsidiary) and Detachments from the Southern Coachella Valley Community Services District, County Service Area 125 and the Riverside County Waste Resources Management District.

Mr. Fowler presented the proposal.

Chair Henderson opened the public hearing.

Bob Braitman, 8277 Cheshire St., Ventura, CA 93004. Mr. Braitman stated that the City of Coachella was in full support of staff's recommendation and he and staff were available to answer any questions.

Chair Henderson closed the public hearing.

Moved (Lowe) seconded (Tavaglione) to approve LAFCO 2004-12-4-Reorganization to Include Annexation 52 to the City of Coachella, the Coachella Fire Protection District (subsidiary), the Coachella Sanitary District (subsidiary) and Detachments from the Southern Coachella Valley Community Services District, County Service Area 125 and the Riverside County Waste Resources Management District.

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- h. LAFCO 2004-13-3-Annexation 4 to County Service Area 43.

Chair Henderson opened the public hearing and there being no proponents or opponents wishing to speak the public hearing was closed.

Moved (Jeffries) seconded (Lowe) to approve LAFCO 2004-13-3-Annexation 4 to County Service Area 43.

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- i. LAFCO 2004-14-3-Reorganization to Include Annexation 04-147 to the City of Hemet and Concurrent Detachments from Riverside County Waste Resources Management District and County Service Area 152.

Mr. Spiliotis presented the proposal. He said that in staff's opinion the sole significant issue associated with this annexation was the creation of the island that was associated with the Ponderosa tract. He said that there were two issues associated with the island. He said that LAFCO could not approve an annexation that created an island unless it made specified findings. He said that those findings were included in the staff recommendation. He said that staff was recommending a condition requiring the City of Hemet to make an application with LAFCO for annexation of the "Ponderosa" pocket area prior to recordation of the McSweeny annexation. He said that the Commission should be aware that this area would be qualified under the island annexation provisions as it is already substantially surrounded.

Mr. Spiliotis further stated that staff had received correspondence from the County of Riverside raising a couple of issues regarding coordination of flood control and drainage issues. He said that there was a comment regarding fire protection referencing an automatic aid agreement. He said that the automatic aid agreement was also referenced in the Plan of Services submitted by the City and included in the staff report. He said that the City Fire Station that would serve the area was stationed only about 2½ miles away and would provide the services needed to the area and, therefore, the auto aid agreement was not a factor. He said that if the Commission approved the proposal, it must make the specified finding that was included in the staff recommendation and requiring the submission of an application to annex the pocket area.

Commissioner Tavaglione stated that he would support the approval of the proposal provided that the City of Hemet will submit an application for annexation of the "Ponderosa" pocket area.

Commissioner Buster asked if the residents of the Ponderosa had been notified about today's hearing. Mr. Spiliotis stated that they had received a notice of the hearing and that notice referenced the availability of the staff report.

Commissioner Jeffries asked how the letter from County will reflect into the record. Mr. Spiliotis stated that the City was not relying on the County to serve the area. He said that the City indicated that they had an automatic aid agreement with the County.

Commissioner Tavaglione commented on the possibility of approving both annexations at the same time for the purpose of notifying the residents of the island area.

Commissioner Buster expressed his concern regarding notification to the residents of the island area.

Commissioner Jeffries suggested continuing the proposal to a time that would coincide with the Ponderosa annexation hearing.

Mr. Spiliotis stated that if it was the Commission's desire to require the City to submit an application for the island area within a week, and staff was requested to give it highest priority, it would be possible to hear this proposal in October, 2004. However, he said that if the proposal was continued to September, 2004, staff could provide special notice to the island area and include a copy of the staff report.

Chair Henderson stated that this had not been the Commission's policy in the past; therefore, she was not in agreement with this.

Commissioner Lowe stated that the City had been working with the McSweeney family and specifically Mr. Tom Olson who represented the family. She said that they had developers waiting to proceed. She said that they had gone to the planning department for approval. She said that the City will move forward with an application of the island area as a condition of approval for the annexation. She asked that if LAFCO was making that demand on the City, if the fees will be waived for that annexation. Mr. Spiliotis responded that it was consistent with the Commission's policy to grant a fee waiver in such circumstances.

Commissioner Tavaglione clarified that he was not advocating the delay of the proposal. He expressed his support for the approval of the proposal; however, he said to avoid a lengthy process in the future, he would like to see the residents from the affected area notified early on in the process. Commissioner Tavaglione moved to approve the proposal as recommended by staff.

Chair Henderson opened the public hearing and there being no opponents or proponents wishing to speak, the public hearing was closed.

Moved (Tavaglione) seconded (Buster) to approve LAFCO 2004-14-3-Reorganization to Include Annexation 04-147 to the City of Hemet and Concurrent Detachments from Riverside County Waste Resources Management District and County Service Area 152.
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4. RECEIVE AND FILE:

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

The Commission acknowledged receipt of ten proposals.

b. **MONTHLY EXPENDITURE REVIEW.**

The Commission received and filed the Monthly Expenditure Review Report.

5. REQUEST FOR FEE WAIVER - ANNEXATION TO SANTA ROSA COMMUNITY SERVICES DISTRICT.

Mr. Spiliotis presented the report and stated that it was within the fee waiver guidelines.

Moved (Buster) seconded (Jeffries) to approve the Request for Fee Waiver-Annexation to Santa Rosa Community Services District.

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6. LAFCO 2004-27-5-REQUEST FOR EXTRA-TERRITORIAL SERVICES PROVISION-CITY OF BEAUMONT.

Mr. Spiliotis presented the report and stated that staff recommended approval of the service extension of all three sites.

Gregory J. Bowers, Executive Director of Facilities, Beaumont Unified School District, 500 Grace Avenue, Beaumont, CA 92223. Mr. Bowers thanked everyone for helping the school district with this process.

Moved (Lowe) seconded (Hird) to approve LAFCO 2004-27-5-Request for Extra-Territorial Services Provision-City of Beaumont as recommended by staff.

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7. WATER SERVICES AGREEMENT BETWEEN WESTERN MUNICIPAL WATER DISTRICT AND CITY OF RIVERSIDE- UPDATE (Continued from May 27, 2004)

Liz Cunnison, Director of WMWD, 5196 Queen St., Riverside, CA 92506. She said that both agencies had been working extremely cooperatively and expected to have a complete agreement in approximately 45 days. She said that in the meantime those residents who needed service were being directed to the appropriate agency for services. She said that both parties were real pleased with the progress they had been making and she was here to advice the Commission of that.

Moved (Lowe) seconded (Tavaglione) to continue the Water Services Agreement between Western Municipal Water District and City of Riverside to October 28, 2004.

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8. CONSOLIDATED POLICY DOCUMENT.

Mr. Spiliotis presented a report and stated that staff had worked on this policy project in the absence of the July meeting.

Chair Henderson suggested a change on Page 5, Item 2.1.6.3 in the center of the page, last sentence to read as follows "In either case, the consultant shall identify all past incorporation analyses performed for that area".

Chair Henderson asked Mr. Spiliotis if he would be comfortable at this time addressing the policy issue discussed earlier regarding the noticing. Mr. Spiliotis responded that he would bring this matter back to the Commission for further discussion at a later time.

Moved (Tavaglione) seconded (Hird) to approve the Policy Document as presented to the Commission by staff with the minor change on Page 5, Item 2.1.6.3.

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9. ESTABLISH MEETING DATE FOR NOVEMBER/DECEMBER.

The Commission agreed to meet on December 9, 2004, for the November/December LAFCO meeting.

10. MISCELLANEOUS STAFF REPORTS.

Mr. Spiliotis stated that staff will be preparing a historical document of the COIs over the years so that the new Commissioners will have background information on this matter.

11. PUBLIC COMMENTS.

Sheryl Ade, 35255 Amatista, Wildomar, CA 92595. Ms. Ade discussed an article in the paper regarding the State Budget and how the cuts are going to affect the newly incorporated areas; therefore, there will be no more cities incorporating unless changes were to happen in the State Budget.

Mr. Spiliotis stated that he had received new information stating that the League of Cities were not able to generate any interest in the legislature even though specific language had been presented to fix it. He said that changes were not going to happen this legislative session. He said that they were only working on very technical amendments to the budget bill and saw this matter as a policy issue. He said that the League of Cities will be taking this issue up in the next legislative session. He said that in conversations with the consultant for the League, initially, he was very confident that this issue was going to be worked out at this legislative session and obviously this had not happened. He did not believe that it was the policy of the State to prevent any incorporation from happening. He stated that it was not exclusionary language that it was in the budget or in any legislation that specifically said that incorporations shall not receive money. He said that it was just how the language had worked out. He said that it was his understanding that it was not limited to cities that have not incorporated but potentially cites that were recently incorporated that may not be receiving any funds as well.

Bob Braitman, 8277 Cheshire Street, Ventura, CA 93004. Mr. Braitman stated that in fact the State Budget was affecting existing cities and potential cities. He said that what the financial mechanism was going to be was undetermined at this time.

Commissioner Jeffries advised the Commission that the Murrieta County Water District had undertaken efforts to start a dissolution process to merge with the Western Municipal Water District.

12. 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)

With respect to every item of business to be discussed in closed session held pursuant to Section 54957:

There was no executive session.

13. ADJOURNED.

The Commission adjourned at 10:20 a.m.

Respectfully,

George J. Spiliotis
Executive Officer