

2.
12/8/2005

MINUTES
October 27, 2005

Present Kevin D. Jeffries
Robin Lowe
Terry Henderson
Bob Buster
Robert E. Hird
John Tavaglione
Ron Starrs

Present Staff: George J. Spiliotis, Executive Officer
Wayne Fowler, Local Government Analyst III
Adriana Romo, Local Government Analyst II
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 9:01 a.m.

1.2 ROLL CALL.

2. APPROVAL OF MINUTES OF SEPTEMBER 27, 2005

Minutes were approved as presented.

3. HEARINGS:

- a. LAFCO 2005-36-3-Reorganization to Include Annexation 90 to County Service Area 103 and Concurrent Annexation to Valley Wide Recreation and Park District. **(Continued from September 22, 2005; Staff recommends continuance to December 8, 2005).**

Moved (Henderson) seconded (Buster) to continue LAFCO 2005-36-3-Reorganization to Include Annexation 90 to County Service Area 103 and Concurrent Annexation to Valley-Wide Recreation and Park District to December 8, 2005.

- b. LAFCO 2005-25-2-Annexation to Lee Lake Water District.

Moved (Henderson) seconded (Buster) to approve LAFCO 2005-25-2-Annexation to Lee Lake Water District.
6/0 (Lowe absent)

- c. LAFCO 2005-58-3-Annexation 65 to County Service Area 69.

Moved (Henderson) seconded (Buster) to approve LAFCO 2005-58-3-Annexation 65 to County Service Area 69.
6/0 (Lowe absent)

- d. LAFCO 2005-59-3-Sphere of Influence Amendment to County Service Area 145 (addition) and Reorganization to Include Concurrent Detachment from County Service Area 84 and Annexation 17 to County Service Area 145.

Moved (Henderson) seconded (Buster) to approve LAFCO 2005-59-3-Sphere of Influence Amendment to County Service Area 145 (addition) and Reorganization to Include Concurrent Detachment from County Service Area 84 and Annexation 17 to County Service Area 145.
6/0 (Lowe absent)

- e. LAFCO 2005-60-3-Reorganization to Include Concurrent Annexations to Rancho California Water District (ANX 90), Eastern Municipal Water District and the Metropolitan Water District of Southern California (84th Fringe).

Moved (Henderson) seconded (Buster) to approve LAFCO 2005-60-3-Reorganization to Include Concurrent Annexations to Rancho California Water District (ANX 90), Eastern Municipal Water District and the Metropolitan Water District of Southern California (84th Fringe).
6/0 (Lowe absent)

- f. LAFCO 2005-69-1-Annexation 16 to County Service Area 134.

Moved (Henderson) seconded (Buster) to approve LAFCO 2005-69-1-Annexation 16 to County Service Area 134.
6/0 (Lowe absent)

- g. LAFCO 2005-72-3-Reorganization to Include Concurrent Annexations to Eastern Municipal Water District and the Metropolitan Water District of Southern California (87th Fringe).

Moved (Henderson) seconded (Buster) to approve LAFCO 2005-72-3-Reorganization to Include Concurrent Annexations to Eastern Municipal Water District and the Metropolitan Water District of Southern California (87th Fringe).
6/0 (Lowe absent)

- h. LAFCO 2005-73-3-Reorganization to Include Concurrent Annexations to Eastern Municipal Water District, Rancho California Water District (ANX 93) and the Metropolitan Water District of Southern California (86th Fringe)

Moved (Henderson) seconded (Buster) to approve LAFCO 2005-73-3-Reorganization to Include Concurrent Annexations to Eastern

Municipal Water District, Rancho California Water District (ANX 93) and the Metropolitan Water District of Southern California (86th Fringe)
6/0 (Lowe absent)

- i. LAFCO 2005-76-3-Reorganization to Include Concurrent Annexations to Eastern Municipal Water District, Rancho California Water District (ANX 92) and the Metropolitan Water District of Southern California (85th Fringe)

Moved (Henderson) seconded (Lowe) to approve LAFCO 2005-76-3-Reorganization to Include Concurrent Annexations to Eastern Municipal Water District, Rancho California Water District (ANX 92) and the Metropolitan Water District of Southern California (85th Fringe)
6/0 (Lowe absent)

Continued:

- j. LAFCO 2005-14-1&2-Sphere of Influence Review and Potential Amendments-Lee Lake Water District. **(Continued from July 21, 2005)**

Ms. Romo presented the Sphere of Influence Review.

Commissioner Buster asked for clarification regarding the boundaries. Mr. Fowler pointed out the areas that encompassed the sphere of influence of Lee Lake Water District.

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

Moved (Buster) seconded (Henderson) to approve LAFCO 2005-14-1&2-Sphere of Influence Review and Potential Amendments-Lee Lake Water District as recommended by staff.
6/0 (Lowe absent)

- k. LAFCO 2005-61-3-Sphere of Influence Review and Potential Amendments-Valley Health System. **(Continued from September 22, 2005)**

Ms. Romo presented the Sphere of Influence Review.

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

Moved (Henderson) seconded (Tavaglione) to approve LAFCO 2005-61-3-Sphere of Influence Review and Potential Amendments-Valley Health System as recommended by staff.
6/0 (Lowe absent)

Commissioner Lowe arrived at 9:15 a.m.

New:

1. LAFCO 2005-50-1-Reorganization to Include Annexation 71 to the City of Lake Elsinore and Concurrent Detachment from the Riverside County Waste Resources Management District.

Mr. Spiliotis presented the proposal and stated that staff was recommending approval of the annexation with a condition that would require the City to submit an application for annexation to the City of the pocket area south of Mauricio Street, as depicted in Exhibit A.

Chris Holmquist, Centex Homes, 1265 Corona Pointe Court, Corona, CA 92879. Mr. Holmquist stated that they felt that they had met all requirements and respectfully requested that the Commission approve the annexation without any condition to allow them to develop the property.

Commissioner Buster commented that the condition did not prevent them from developing their property.

Mr. Holmquist stated that if the City of Lake Elsinore decides to not move forward to annex the pocket area south of Mauricio Street after all their efforts that decision will prevent them from moving forward with the annexation.

Commissioner Buster stated that he thought the City of Lake Elsinore was sincere in their efforts to annex the pocket area; therefore, he was in support of approving the annexation as recommended by staff.

Moved (Henderson) seconded (Lowe) to approve LAFCO 2005-50-1-Reorganization to Include Annexation 71 to the City of Lake Elsinore and Concurrent Detachment from the Riverside County Waste Resources Management District as recommended by staff.

7/0

- m. LAFCO 2005-52-4-Reorganization to Include Annexation 54 to the City of Coachella, the Coachella Fire Protection District (subsidiary) and Coachella Sanitary District (subsidiary) and Detachments from the Southern Coachella Community Services District, County Service Area 125 and the Riverside County Waste Resources Management District.

Mr. Fowler presented the proposal.

Chair Jeffries opened the public hearing.

Lee Anderson, 59-777 Calhoun Street, Thermal, CA 92274. Mr. Anderson expressed his opposition to the annexation.

Ellen Lloyd Trover, P. O. Box 297, Coachella, CA 92236. She expressed her opposition to the annexation. She said if the Commission was going to approve the annexation to approve per staff's recommendation.

Norman Cady, 82-831 Avenue 54, Vista Santa Rosa, 92274. Mr. Cady expressed his opposition to the annexation.

Gayle Cady, 82-831 Avenue 54, Vista Santa Rosa, 92274. Mr. Cady expressed her opposition to the annexation.

Carmen Manriquez, City of Coachella, 1515 6th Street, Coachella, CA 92236. Mr. Manriquez expressed his concurrence with staff's recommendation and asked the Commission to approve the proposal per staff's recommendation.

Commissioner Lowe asked Mr. Manriquez how the sphere discussions with City of La Quinta were going. Mr. Manriquez stated that they had met and discussed the boundaries. He said that the agreement at the last meeting was to have Jackson Street as the boundary line and also go to the north from 52 to 50 and Jackson to Monroe. He said that this boundary will allow the residents of the area to stay in the City of Coachella. He said that the City of Coachella was interested in this area because there was a cemetery in the area and many people had some of their relatives buried there; therefore, they considered themselves as part of the City of Coachella.

Commissioner Lowe asked Mr. Manriquez if they were going to amend their sphere of influence. Mr. Manriquez responded that they had submitted a letter to LAFCO in August expressing their interest to amend their sphere of influence.

Mr. Spiliotis stated that most likely in January, 2006 the southern Coachella Valley city spheres will be before the Commission.

Nick Nigosian, Pyramid Date Gardens, P. O. Box 276, Coachella, CA 92236. Mr. Nigosian expressed his support for the annexation and asked the Commission to approve the proposal per staff's recommendation.

Gary Funtas, 80-125 Avenue 49, Indio, CA 92201. Mr. Funtas expressed his desire to be part of the City of Coachella and further stated that he was in full support of the annexation and asked the Commission to approve the proposal per staff's recommendation.

Georgia Celehar, CVWD, Coachella, CA. Ms. Celehar stated that Coachella Valley Water District was in full support of staff's recommendation.

Richard H. Adams, 1111 N. Palm Canton Dr., Palm Springs, CA. Mr. Adams stated that he was representing the applicant. He proceeded to read from a letter presented to the Commission dated October 27, 2005. He asked the Commission to approve the annexation without the conditions and asked the Commission to not hold the annexation hostage.

Commissioner Buster excused himself from participating in this proposal due to campaign contributions.

Gary Ferguson, 44820 Oro Grande, Indian Wells, CA 92210. Mr. Ferguson expressed his support for the annexation and asked the Commission to approve the proposal.

David Labbe, 75597 Desert Horizons, Indian Wells, CA. Mr. Labbe expressed his support for the annexation and asked the Commission to approve the proposal.

Chair Jeffries closed the public hearing.

Commissioner Henderson stated that the Vista Santa Rosa issue had been around for a long time. Commissioner Henderson stated that there was going to be a long process to get everyone on the same page. She said that the area they were looking at had been in the City's sphere for a long time; therefore, this was a logical annexation. She said she was in support of the annexation and stated that this was a logical annexation and was also in support of the conditions as recommended by staff.

Chair Jeffries stated that it was his understanding that if the Coachella Valley Water District provided the sewer services they would have to put in a pump station, and if the City of Coachella provided the same services, they would not. He said that he was in support of the annexation.

Commissioner Lowe asked if staff new for a fact that the City of Coachella could service the area with water and sewer services. Mr. Spiliotis responded that both CVWD and the City of Coachella had the ability to serve the area.

Chair Jeffries re-opened the public hearing.

Eldon Lee, City of Coachella Public Works, City of Coachella. Mr. Lee stated that the City had the ability to serve the area with the sewer and water with no problems.

Georgia Celehar, CVWD, Coachella, CA. Ms. Celehar asked the Commission to allow them to proceed with negotiations with the City of Coachella to be able to come to an agreement as to who will be providing the services needed to the area.

Chair Jeffries closed the public hearing.

Commissioner Tavaglione expressed his support for the annexation with the conditions as outlined in the report and recommended by staff.

Moved (Henderson) seconded (Hird) to approve LAFCO 2005-52-4-Reorganization to Include Annexation 54 to the City of Coachella, the Coachella Fire Protection District (subsidiary) and Coachella Sanitary District (subsidiary) and Detachments from the Southern Coachella Community Services District, County Service Area 125 and the Riverside County Waste Resources Management District
6/0 (Commissioner Buster abstained)

Chair Jeffries left at 10:28 a.m.

Commissioner Lowe acted as Chairman for the following items in Commissioner Jeffries' absence.

n. LAFCO 2005-66-3-Dissolution of Ruisenor Water District.

Commissioner Lowe open the public hearing and there being no opponents or proponents wishing to speak, the public hearing was closed.

Moved (Hird) seconded (Starrs) to dissolve the Ruisenor Water District as recommended by staff.

6/0 (Commissioners Jeffries absent)

4. RECEIVE AND FILE:

a. Information Items: Proposals Received (Government Sections, 56857, 56751)

The Commission acknowledged receipt of the following proposals:

- i. LAFCO 2005-79-3 - Reorganization to Include Concurrent Annexations to Rancho California Water District (Annex 96), Eastern Municipal Water District and the Metropolitan Water District of Southern California(88th Fringe).
- ii. LAFCO 2005-80-3 - Reorganization to Include Concurrent Annexations to Rancho California Water District (Annex 94), Eastern Municipal Water District and the Metropolitan Water District of Southern California(89th Fringe).
- iii. LAFCO 2005-81-1 --- Reorganization to Include Annexation 72 to the City of Lake Elsinore and Detachment from the Riverside County Waste Resources Management District.
- iv. LAFCO 2005-82-3 - Annexation 6 to County Service Area 80.
- v. LAFCO 2005-83-1 - Annexation 12 to County Service Area 142.
- vi. LAFCO 2005-84-3 -- Annexation 93 to County Service Area 103.
- vii. LAFCO 2005-85-3 -- Annexation 92 to County Service Area 103.
- viii. LAFCO 2005-86-3 -- Reorganization to Include Concurrent Annexations to Rancho California Water District (Annex 91), Eastern Municipal Water District and the Metropolitan Water District of Southern California(90th Fringe).
- ix. LAFCO 2005-87-3 -- Reorganization to Include Concurrent Annexations to Rancho California Water District (Annex 95), Eastern Municipal Water District and the Metropolitan Water District of Southern California(91st Fringe).
- x. LAFCO 2005-88-3 -- Reorganization to Include Concurrent Annexations to Rancho California Water District (Annex 98), Eastern Municipal Water District and the Metropolitan Water District of Southern California(92nd Fringe).

xi. LAFCO 2005-89-4&5 - Municipal Service Review - Western Coachella Valley.

xii. LAFCO 2005-90-3 - Annexation 81 to County Service Area 103.

b. Monthly Expenditure Review.

The Commission received and filed the Monthly Expenditure Review Report.

5. REPORT BACK ON STATUS OF POTENTIAL SPECIAL DISTRICT REORGANIZATIONS IDENTIFIED IN WATER/WASTEWATER MSR.

Mr. Spiliotis stated that in February of this year, the Commission had reviewed the Municipal Services Reviews for Water and Wastewater services. He said that among the determinations contained within the report were suggestions for future consideration of consolidation, dissolution, or some other form of reorganization, affecting several agencies. He said that one of staff recommendations adopted by the Commission directed staff to monitor local agency restructuring efforts and provide a status report in June. He said that due to an oversight, staff was only now returning to the Commission. He said that a listing of agencies identified as possible reorganization candidates in the MSR and a brief status report on each were included in the report.

Mr. Spiliotis gave a brief overview of the districts as outlined in the report.

Commissioner Tavaglione stated that eventually they are going to have to look at the Jurupa Parks District because there were some issues of concern with the residents of that area regarding the Park District.

Acting Chair Lowe commented that she was very concerned with the Elsinore Water District and she thought it deserved a fresh look at the district in regards to fire flow etc.

Mr. Spiliotis asked in what form would they like the study to be. Commissioner Lowe responded perhaps it could be in the form of a special study. She suggested that Mr. Spiliotis spearhead that effort.

The Commission made a motion to receive and file the report and direct staff to look into the service issues associated with the Elsinore Water District.

6. LAFCO 2004-46-4-REQUEST FOR EXTRA-TERRITORIAL SERVICES PROVISION-VALLEY SANITARY DISTRICT.

Ms. Romo presented the Report and Supplemental Report as outlined in the report, indicating that Coachella Valley Water District and Valley Sanitary District had agreed on future service boundaries and this request could now go forward.

Moved (Hird) seconded (Henderson) to approve LAFCO 2004-46-4-Request for Extra-Territorial Services Provision-Valley Sanitary District as recommended by staff.
6/0 (Jeffries absent)

7. SELECTION OF CONSULTANT FOR MUNICIPAL SERVICE REVIEW-WESTERN COACHELLA VALLEY.

Mr. Fowler presented the report as outlined in the staff report and recommended to the Commission the selection of Dudek & Associates as the consultant to prepare the Western Coachella Valley Municipal Services Review (Cities of Palm Springs, Desert Hot Springs, Cathedral City, Rancho Mirage, Palm Desert and Indian Wells and Communities of Thousand Palms, Sky Valley, Del Webb Palm Desert and North Palm Springs). He also recommended that the Commission authorize the Chair to execute a professional services agreement with the selected consultant for the preparation of the Municipal Service Review.

Commissioner Starrs expressed concern regarding the wide variance in bids received to conduct the study. Mr. Fowler responded that the recommended firm was an experienced firm and the RFP was quite clear.

Mr. Spiliotis commented that the MSRs across the state were a relatively new program.

Moved (Hird) seconded (Henderson) to select Dudek & Associates as the consultant to prepare the Western Coachella Valley Municipal Services Review (cities of Palm Springs, Desert Hot Springs, Cathedral City, Rancho Mirage, Palm Desert and Indian Wells and Communities of Thousand Palms, Sky Valley, Del Webb Palm Desert and North Palm Springs and authorize the Chair to execute a professional services agreement with the selected consultant for the preparation of the Municipal Service Review as recommended by staff.
6/0 (Jeffries absent)

8. SELECTION OF CONSULTANT FOR PREPARATION OF INITIAL STUDY-SPHERES OF INFLUENCE FOR THE CITIES OF CORONA, LAKE ELSINORE, AND RIVERSIDE (REGION 1) AND COACHELLA, INDIO AND LA QUINTA (REGION 2).

Moved (Hird) seconded (Starrs) to select LSA as the consultant to prepare the Initial Studies for the two regions described in the RFP and authorize the Chair to execute a professional services agreement with the selected consultant for the preparation of the Initial Studies as recommended by staff.
6/0 (Jeffries absent)

9. CONFIRMATION OF PROCEDURES FOR SALARY ADJUSTMENTS AND BENEFITS FOR COMMISSION EMPLOYEES.

Moved (Hird) seconded (Starrs) to approve the attached resolution to confirm the practice of applying salary and benefit changes adopted by the Board of Supervisors to LAFCO employees.
6/0 (Jeffries absent)

**10. STATUS REPORT ON COLLECTION OF LOCAL AGENCY SHARE OF LAFCO FUNDING
(ORAL REPORT).**

Mr. Spiliotis reported that there were still few agencies who had not submitted payment to the Auditor-Controller's Office. He said that there were still outstanding payments from the Cities of Desert Hot Springs, Indio and the Palo Verde Health Care District.

Commissioner Tavaglione suggested a friendly reminder of their amount due as soon as possible.

11. MISCELLANEOUS STAFF REPORTS.

There were no miscellaneous staff reports.

Commissioner Starrs suggested having the January meeting in the Desert due to some of the proposals located in the desert. Commissioner Henderson suggested having that meeting in the City of La Quinta. Mr. Spiliotis was asked by the Commission to pursue the request of having the January meeting in the City of La Quinta.

12. PUBLIC COMMENTS.

There were no public comments.

13. ADJOURNMENT.

The Commission adjourned at 10:57 a.m.

Respectfully,

George J. Spiliotis
Executive Officer