

2.
2/22/2007

MINUTES
January 25, 2007

Present: Robin Lowe, Chair
Bob Buster
Terry Henderson
John Tavaglione
Stephen Tomanelli
Phil Williams

Absent: Robert E. Hird and Ron Starrs

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

1.1 CALL TO ORDER AND SALUTE TO THE FLAG.

The meeting was called to order by Chair Lowe at 9:32

1.2 ROLL CALL.

2. APPROVAL OF MINUTES OF December 7, 2006.

Minutes were approved as presented.

3. Consent (Non-Hearing Items):

- a. LAFCO 2006-120-3-Reorganization to Include Annexation 106 to County Service Area 103 and Concurrent Annexation to Valley-Wide Recreation and Park District.

Moved (Buster) seconded (Henderson) to approve LAFCO 2006-120-3-Reorganization to Include Annexation 106 to County Service Area 103 and Concurrent Annexation to Valley-Wide Recreation and Park District.
6/0 (Starrs absent)

- b. LAFCO 2006-121-4-Annexation 19 to County Service Area 145.

Moved (Buster) seconded (Henderson) to approve LAFCO 2006-121-4-Annexation 19 to County Service Area 145 as recommended by staff.
6/0 (Starrs absent)

c. LAFCO 2006-122-4-Annexation 2 to County Service Area 53.

Moved (Buster) seconded (Henderson) to approve LAFCO 2006-122-4-Annexation 2 to County Service Area 53.
6/0 (Starrs absent)

d. LAFCO 2006-123-3-Annexation 66 to County Service Area 69.

Moved (Buster) seconded (Henderson) to approve LAFCO 2006-123-3-Annexation 66 to County Service Area 69.
6/0 (Starrs absent)

e. LAFCO 2006-125-1-Annexation 15 to County Service Area 142.

Moved (Buster) seconded (Henderson) to approve LAFCO 2006-125-1-Annexation 15 to County Service Area 142.
6/0 (Starrs absent)

4. PUBLIC HEARINGS:

Continued:

a. LAFCO 2005-10-1,2,3,5-Sphere of Influence Review and Potential Amendments-Northwest Mosquito & Vector Control District. **(Continued from October 26, 2006; staff recommends continuance to April 26, 2007)**

Moved (Williams) seconded (Henderson) to continue LAFCO 2005-10-1,2,3,5-Sphere of Influence Review and Potential Amendments-Northwest Mosquito & Vector Control District to April 26, 2007.
6/0 (Starrs absent)

b. LAFCO 2006-11-3,4,5-Sphere of Influence Review and Potential Amendments-Coachella Valley Mosquito & Vector Control District. **(Continued from October 26, 2006; staff recommends continuance to April 26, 2007)**

Moved (Williams) seconded (Henderson) to continue LAFCO 2006-10-3,4,5-Sphere of Influence Review and Potential Amendments-Coachella Valley Mosquito & Vector Control District to April 26, 2007.

c. LAFCO 2005-102-1,2,3-Consolidation Study: Elsinore-Murrieta-Anza, Riverside-Corona and San Jacinto Resource Conservation Districts. **(Continued from October 26, 2006)**

Ms. Craig stated that on October 26th staff had recommended a three-month continuance to allow time for the Districts to review the map of EMA's proposed boundary adjustments and to decide if one or more of the Districts would initiate a boundary change. She said that the original intent was for the Districts to return with a proposed reorganization that was consistent with the initial agreed-upon changes. She further said that letters from EMA and the San Jacinto Basin RCD stated that they would like to keep areas "C" & "D" as is. She also said that changes to the district boundaries could only be initiated by affected agencies, such as the Riverside County Board of

Supervisors or the Districts. She further said that the San Jacinto Basin and Riverside-Corona will be working on a potential application to initiate the boundary changes for areas "A" and "B" as shown on the attached exhibit to the staff report.

Pam Nelson, President, Elsinore-Murrieta-Anza Resource Conservation District. Ms. Nelson discussed letter dated January 9, 2007, included in the staff report.

Vicky Long, Elsinore-Murrieta-Anza Resource Conservation District, 40390 Via Caballos, Murrieta, CA 92562. Ms. Long stated that they were happy to keep their current boundaries and were working to protect the Santa Margarita Watershed; she thanked the Commission for their time.

Chair Lowe asked if there was a need for a motion and Mr. Spiliotis responded in the negative. He said that this was only a status report.

- d. LAFCO 2005-103-1-Consolidation Study: Elsinore Valley and Wildomar Cemetery Districts. **(Continued from August 3, 2006; Staff recommends continuance to March 22, 2007)**

Moved (Henderson) seconded (Tomanelli) to continue LAFCO 2005-103-1-Consolidation Study: Elsinore Valley and Wildomar Cemetery Districts to March 22, 2007.

- e. LAFCO 2006-109-1-Reorganization to Include Annexation 97 to the City of Riverside and Concurrent Detachments from County Service Area 113 and the Riverside County Waste Resources Management District.

Mr. Fowler stated that at the December 7th meeting testimony was taken and the item was continued so that staff could research additional information on agricultural water rates and how those might change upon an annexation. He said that at the December hearing, one of the landowners expressed that they were concerned that if the area were to be annexed, their water rates for their avocado farm would go up and that they would no longer be able to afford to continue in their agricultural business.

He further stated that the plan of services submitted with this proposal by the City of Riverside indicated that upon annexation, the area will continue to be served by Western Municipal Water District. He said that at some time in the future the City may be in a better position to provide water services to this area, but that was not anticipated anytime soon. He also said that the annexation area will be subject to the City wide 6.5% Utility User Tax upon annexation. He further stated that there would be no change to existing water rates to this area if the area were to be annexed into the City of Riverside. He further said that Western Municipal Water District stated that for a parcel to qualify for agricultural water rates, the parcel would need to be a minimum of five acres in size, have no structures upon the five acres used for agricultural purposes and have a business license demonstrating that they are selling their agricultural product. He said that it did not appear that any of the parcels within the annexation would qualify for agricultural water rates from Western Municipal Water District.

Patti Nahill, City of Riverside, Comm. Dev. Dept., Planning Division, 3900 Main Street, 3rd Floor, Riverside, CA 92522. Ms. Nahill stated that she was available to answer any questions the Commission might have and that the City of Riverside was in support of staff's recommendation.

Daniel Aldrete, 14705 Dauchy Avenue, Riverside, CA 92508. Mr. Aldrete expressed his support for the annexation proposal.

Edwin Cartagena, 14785 Dauchy Avenue, Riverside, CA 92508. Mr. Cartagena expressed his support for the annexation proposal.

Rick Fowler, 18331 John F. Kennedy Dr., Riverside, CA 92508. Mr. Fowler expressed his support for the annexation proposal.

Chair Lowe closed the public hearing.

Commissioner Buster asked Mr. Spiliotis to elaborate on the remedies there were available to the residents of the area if they were opposing the annexation. Mr. Spiliotis explained the protest proceedings, including the threshold required to call an election.

Moved (Henderson) seconded (Buster) to approve LAFCO 2006-109-1-Reorganization to Include Annexation 97 to the City of Riverside and Concurrent Detachments from County Service Area 113 and the Riverside County Waste Resources Management District.
6/0 (Starrs absent)

f. LAFCO 2006-18-5-Sphere of Influence Review and Potential Amendments-City of Banning, the Banning Bench Unincorporated Community, the Cabazon Unincorporated Community, and the Cherry Valley Unincorporated Community.

Mr. Spiliotis stated that the report provided a review of the City of Banning Sphere of Influence. He said that the City was not requesting any changes at this time. He said that while there had been some limited landowner interest south of the existing SOI, the City must complete planning work prior to consideration of additional territory.

Moved (Henderson) seconded (Williams) to determine that the current sphere of influence was adequate at this time and no change was required.
6/0 (Starrs absent)

g. LAFCO 2006-20-1&3-Sphere of Influence Review and Potential Amendments-City of Temecula. **(Staff recommends continuance to April 26, 2007)**

Moved (Henderson) seconded (Tomanelli) to continue LAFCO 2006-20-1&3-Sphere of Influence Review and Potential Amendments-City of Temecula.
6/0 (Starrs absent)

h. LAFCO 2006-37-1&5-Sphere of Influence Review and Potential Amendments-County Service Area 93 (Moreno Valley)

Mr. Fowler stated that this was a sphere review for County Service Area (CSA) 93. He said that this CSA created in 1972 as a funding mechanism to provide parks within the rapidly growing Moreno Valley Area.

Mr. Fowler stated that staff was recommending that the Commission amend the Sphere for CSA 93 from the current coterminous sphere to a Zero Sphere of Influence indicating a future dissolution of this CSA. He said that the action also reflected the suggested Sphere for CSA 93 from the Economic Development Agency (EDA).

Moved (Henderson) seconded (Tomanelli) to amend LAFCO 2006-37-1&5-Sphere of Influence Review and Potential Amendments-County Service Area 93 (Moreno Valley) from its current coterminous sphere of influence to a Zero Sphere of Influence indicating a future dissolution of CSA 93.

6/0 (Starrs absent)

- i. LAFCO 2006-66-4-Sphere of Influence Review and Potential Amendments-County Service Area 105 (Happy Valley/Indio Hills). **Staff recommends continuance to June 28, 2007)**

Chair Lowe opened the public hearing.

Felix Perezchica, 31-100 Pace Lane, Desert Hot Springs, CA 92241. Mr. Perezchica spoke in opposition of the annexation.

Marisa Edison, 31-100 Pace Lane, Desert Hot Springs, CA 92242. Ms. Edison spoke in opposition of the annexation.

Mr. Spiliotis commented that perhaps the speakers were referring to a future proposal by the City of Indio.

Isabelle E. De La Rosa, 31-871 La Gaviota, Cathedral City, CA 92234. Ms. De la Rosa spoke in opposition of being part of any City.

Estelle Dahl, 31-700 Desert Rock Road, Indio Hills, CA 92241. Ms. Dahl spoke in opposition of being a part of any City.

Moved (Henderson) seconded (Williams) to continue LAFCO 2006-66-4-Sphere of Influence Review and Potential Amendments-County Service Area 105 (Happy Valley/Indio Hills) to June 28, 2007.

6/0 (Starrs absent)

- j. LAFCO 2006-92-3-Sphere of Influence Review and Potential Amendments-County Service Area 143 (Temecula/Silverhawk/Morgan Hill/Murrieta)

Ms. Craig stated that CSA 143 was formed for the intent of providing street lighting, landscaping and park and recreation services for the resident and property owners within the Temecula/Silverhawk/Morgan Hill and Murrieta area. She also said that currently, CSA 143 had a coterminous sphere, and staff was recommending that the Commission amend the sphere for CSA 143 to approximate the area of potential future development as shown on the County's General Plan.

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

Moved (Henderson) seconded (Tomanelli) to approve LAFCO 2006-92-3-Sphere of Influence Review and Potential Amendments-County Service Area 143 (Temecula/Silverhawk/Morgan Hill/Murrieta) as recommended by staff.

6/0 (Starrs absent)

- k. LAFCO 2006-93-5-Sphere of Influence Review and Potential Amendments-Beaumont-Cherry Valley Recreation and Park District.

Ms. Romo presented the report and stated that the City of Beaumont and Beaumont Cherry Valley Recreation and Park District were working well together in administering park and recreation services. She said that staff was recommending a few minor technical sphere modifications as amendments. She also said that additional changes will require discussions with the City of Beaumont, the Beaumont Cherry Valley Recreation Park District and Valley Wide Recreation and Park District and will be revisited during the City's upcoming SOI review. She said that the technical sphere modifications were as follows: The area to the west of the BCVRPD to be removed from its sphere of influence known as the Badlands that includes vacant areas that consist of controlled development and rural-residential land uses. Other modifications include areas with the City of Calimesa. She said that the area being removed from BCVRPD's sphere of influence receives park and recreation services from the City of Calimesa, with the exception of the uninhabited vacant area to the west of the District where there will be no need for services in the near future.

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

Moved (Henderson) seconded (Buster) to amend the sphere of Influence of Beaumont-Cherry Valley Recreation and Park District as recommended by staff.

6/0 (Starrs absent)

- l. LAFCO 2006-94-3-Sphere of Influence Review and Potential Amendments - CSA 145 (Sun City)

Ms. Craig presented the report and stated that staff was recommending that the northern portion of CSA 145 (on Ethnac Road) sphere remain the same and the southern portion of the sphere be extended south to Keller Road, between Sunset Avenue and the 215 Freeway. She also said that staff was recommending to amend the sphere for CSA 145 to approximate the area of potential future development in the area as shown on the County's General Plan. She further stated that CSA 145 provided street lighting, landscaping and park and recreation services.

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

Moved (Henderson) seconded (Williams) to amend the Sphere of Influence of CSA 145 (Sun City) as recommended by staff. It is also determined that CSA 145 provides street lighting, landscaping and Park & Recreation services.

6/0 (Starrs absent)

- m. LAFCO 2006-114-4-Reorganization to Include Annexation 84 to the City of Indio and Concurrent Detachment from Riverside County Waste Resources Management District.

Mr. Spiliotis presented the report. Mr. Spiliotis further stated that staff was impressed with the City's efforts to provide practical information to area residents and property owners. He said that the outreach could serve as model for future inhabited annexations. He said that the City had gone well above and beyond mere compliance with the Commission imposed condition to submit an application for this area. He said that despite the City's efforts many residents were still skeptical or opposed to the annexation. He said that staff's recommendation was for conditional approval as indicated on the staff report

Chair Lowe opened the public hearing.

Sean Moore, City of Indio, Indio, California 92203. Mr. Moore spoke in support of the annexation. He said that he was in full support of staff's recommendation and asked the Commission to approve the proposal.

Commissioner Henderson asked Mr. Moore to explain pre-annexation zoning. Mr. Moore responded that on the southerly boundary of the annexation area was Business Park which was consistent with area land uses surrounding the site to the south east and west. He said that there were some higher densities in that area. He said that the majority of the area will be Country Estates which were similar to the Vista Santa Rosa on the south end of the City of Indio and on the Equestrian Estates further up for the rest of the area.

Joe Ortiz, 38-360 Jefferson, Indio, CA 92203. Mr. Ortiz spoke in opposition of the annexation and expressed dissatisfaction with city traffic enforcement in the subject area.

Mr. Spiliotis clarified while one of the conditions of Fiesta de Vida had to do with taking over the function of the Sheriff. He said that traffic enforcement was still the responsibility of the California Highway Patrol in the unincorporated areas.

Peggy Reyes, Director of Facilities, DSUSD, 48090 Calle Del Sol, Indio, CA 92201. Mr. Reyes spoke in support of the annexation proposal. She further said that if the voters voted down the annexation, they will still continue to pursue annexation of the schools into the City of Indio.

Roger Clarke, Principal Architect of DSUSD, 48090 Calle Del Sol, Indio, CA 92201. He said that the High school was under construction at this time and street improvements were one of the things they were dealing regarding having the street plans approve through the City of Indio and County. He said that the process could be cumbersome because of dual

jurisdictions. He said that they were improving the street near the High school to a four-lane street with a left turn lane. He said that there will be significant improvements on Jefferson Street up to Avenue 39 just by virtue of the development of the High School. He said that there will be a traffic signal at the corner of Avenue 39 and Jefferson Street as a condition of the approval for the project. He said that the uses of that area were consistent with the City of Indio's land uses and the development that was going on to the west of this project.

Mr. Fowler stated that there was a middle school site that he was unaware of.

Chair Lowe closed the public hearing.

Chair Lowe asked Mr. Spiliotis to explain what the next step was. Mr. Spiliotis explained the protest proceedings, including the thresholds required to call an election.

Moved (Williams) seconded (Henderson) to approve LAFCO 2006-114-4-Reorganization to Include Annexation 84 to the City of Indio and Concurrent Detachment from Riverside County Waste Resources Management District.

6/0 (Starrs absent)

- n. LAFCO 2006-124-3-Reorganization to Include Concurrent Annexations to Rancho California Water District (ANX 97), Eastern Municipal Water District and the Metropolitan Water District of Southern California (94th Fringe)

Moved (Henderson) seconded (Williams) to approve Reorganization to Include Concurrent Annexations to Rancho California Water District (ANX 97), Eastern Municipal Water District and the Metropolitan Water District of Southern California (94th Fringe)

6/0

5. RECEIVE AND FILE.

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

Moved (Tavaglione) seconded (Buster) to acknowledge receipt of the following proposals:

6/0 (Starrs absent)

- i. LAFCO 2006-153-3-Annexation 1 to San Gorgonio Pass Water Agency.
- ii. LAFCO 2006-154-4-Reorganization to Include Concurrent Annexations 57 to the City of Coachella, the Coachella Fire Protection District and the Coachella Sanitary District and Detachments from County Service Area 125 and the Riverside County Waste Resources Management District.
- iii. LAFCO 2007-01-5-Reorganization to Include Annexation 34 to the City of Desert Hot Springs and Detachment from the Riverside County Waste Resources Management District.

b. MONTHLY EXPENDITURE REVIEW.

Moved (Tavaglione) seconded (Buster) to receive and file the Monthly Expenditure Review report.
6/0 (Starrs absent)

6. LAFCO 2006-115-2-SPHERE OF INFLUENCE AMENDMENT TO THE CITY OF NORCO (Removal) AND THE CITY OF CORONA (Addition) AND REORGANIZATION TO INCLUDE CONCURRENT DETACHMENT FROM THE CITY OF NORCO AND ANNEXATION 103 TO THE CITY OF CORONA. (The Hearing was closed at the LAFCO Meeting of December 7, 2006)

Mr. Fowler stated that the proposal was presented to the Commission at the December 7th LAFCO Hearing. He said that public testimony was taken and the Chair closed the public hearing and a vote was taken. He said that there were only four Commission members present at the time of the vote and LAFCO procedures require that all four of the voting Commissioners need to approve a proposal for it to be approved. He said that if the vote was less than the required majority, the proposal was automatically continued to the next LAFCO hearing date.

Commissioner Tavaglione discussed Mr. Nouchi's letter where it indicated that if the proposal was approved there was a potential for other properties to the north to be divided and brought into the City of Corona. He asked Mr. Fowler if that was the case. Mr. Fowler responded that it was his understanding that particular lot was the only one that services could not be provided. He said that access to the lot was through a driveway easement from the City of Corona. He said that the other properties would not have any access available from the City of Corona. He said that it was his understanding that when the lot was approved by the City of Norco the access was created for four housing pads. He said that the current approval with the City of Corona there will only be two houses built. Commissioner Tavaglione asked if La Salle would be extended and Mr. Fowler responded in the negative that La Salle would not be extended. He said that there was a driveway easement about 20 ft. wide between the two property owners and one of the property owners owned the easement to the property.

Commissioner Tavaglione said that the proposal seem a reasonable request while he understood the concern of the residents. He said that both cities were in agreement via resolution, therefore, he moved for approval of the proposal as recommended by staff.

Moved (Tavaglione) seconded (Henderson) to approve LAFCO 2006-115-2-Sphere of Influence Amendment to the City of Norco (removal) and Corona (addition) and Reorganization to Include Concurrent Detachment from the City of Norco and Annexation 103 to the City of Corona.
6/0 (Starrs absent)

7. EXTENSION OF TIME TO COMPLETE PROCEEDINGS FOR LAFCO 2005-81-1-REORGANIZATION TO INCLUDE ANNEXATION 72 TO THE CITY OF LAKE ELSINORE AND CONCURRENT DETACHMENT FROM THE RIVERSIDE COUNTY WASTE RESOURCES MANAGEMENT DISTRICT.

Moved (Henderson) seconded (Buster) to approve the extension of time to Complete Proceedings for LAFCO 2005-81-1-Reorganization to Include Annexation 72 to the City of Lake Elsinore and Concurrent Detachment from the Riverside County Waste Resources Management District.
6/0 (absent)

8. ESTABLISHING AUTHORIZED POWERS OF COMMUNITY SERVICES DISTRICTS.

Ms. Romo said that as a collaborative effort initiated by the Senate Local Government Finance Committee, SB 135 was chaptered in September of 2005. She said that the revised Community Services District Law called for LAFCO to review and determine the authorized services, the CSDs were currently providing. She also said that any services that the district was not providing as of January 1, 2006, will no longer be considered a service the district was authorized to provide and will be determined by law to be "latent powers". She said that in order for a CSD to active a latent power in the future, it must receive approval from LAFCO.

She further stated that for the purposes of establishing the authorized services of the CSDs in one Commission action, outlined in the report was a list of the Community Services Districts and functions they were authorized to provide and were providing as of January 1, 2006.

Commissioner Henderson asked for clarification regarding the depth of road maintenance services. Mr. Rank responded that with the CSD was a very broad power, he said they were considered a quasi-municipality when it comes to road services. Mr. Rank stated that they can set speed limits within CSDs if the CSDs own and operated the roads. Mr. Rank said that they don't have to come to the County to set the speed limits. He said that CSDs were one of the most significant forms of creating a quasi-municipality. He said that this was the reason it was preferred to use the CSDs prior to the creation of Cities to get the experience of working as a municipality. He said that generally CSDs have general managers and have their own staffs. He also said that they do most of the road work themselves with some limitations regarding the County's retained powers over those roads. He said that if the CSDs owned and maintained roads, they would generally have complete jurisdiction over them.

Commissioner Henderson asked what they had to do if the CSDs decided to extend their services. Mr. Rank responded that they would have to apply to LAFCO for the requested extended services.

Mr. Spiliotis stated that this report was a housekeeping item. He said that LAFCO had to establish what the existing authorized powers were for each CSD.

Chair Lowe asked who the districts were accountable to. Mr. Spiliotis responded they were independent special districts that had elected boards and were accountable to the voters just like any City. Mr. Rank said that they were a quasi-municipality that had every possible authority except land use which could not be exercised by a CSD.

Moved (Buster) seconded (Tavaglione) to accept the report as presented by staff.

5/1 (Lowe no)(Starrs absent)

9. **MID-YEAR BUDGET ADJUSTMENTS FOR FISCAL YEAR 2006-2007.**

Moved (Henderson) seconded (Tavaglione) to approve the Mid-Year Budget Adjustments for Fiscal Year 2006-2007)
6/0 (Starrs absent)

10. **MISCELLANEOUS STAFF REPORTS.**

There were no miscellaneous staff reports.

11. **PUBLIC COMMENTS.**

Mr. Garry Grant, 27068 Jarvis St., Perris, CA 92570. Mr. Grant discussed the COIs in relation to Latent Powers.

12. **ADJOURNMENT.**

The Commission adjourned at 11:02 a.m.

Respectfully,

George J. Spiliotis
Executive Officer