

MINUTES
October 22, 2009

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

Present Staff: George J. Spiliotis, Executive Officer
Crystal Craig, Local Government Analyst II
Adriana Romo, Local Government Analyst II
Elena G. Medina, Executive Assistant
Elizabeth Valdez, LAFCO Secretary
Pam Walls, Legal Counsel

1.1 CALL TO ORDER AND SALUTE TO THE FLAG.

The meeting was called to order by Chair Kitahara at 9:37 a.m.

1.2 ROLL CALL.

2. APPROVAL OF MINUTES OF SEPTEMBER 24, 2009.

Moved (Tomanelli) seconded (Williams) to approve the minutes as presented.
6/0 (Lowe absent)

3. CONSENT(NON-HEARING ITEMS)

There were no consent items.

4. PUBLIC HEARINGS:

CONTINUED:

- a. LAFCO 2007-73-3-Sphere of Influence Amendments to the City of Canyon Lake (removal) and County Service Area 145 (addition) and Reorganization to Include Detachment from the City of Canyon Lake and Concurrent Annexation to County Service Area 145. **(Continued from April 23, 2009).**

Chair Kitahara stated that the City of Canyon Lake had withdrawn their application and Commissioner Williams asked if it required a formal

action to accept their withdrawal. Mr. Spiliotis stated that no action was needed on the part of the Commission.

NEW:

- b. LAFCO 2008-09-4-Sphere of Influence Amendments (additions) to the City of Cathedral City (Thousand Palms) and the Cathedral City Community Services District (subsidiary). **(Staff recommends continuance to December 3, 2009).**

Mr. Spiliotis stated that there was no staff report prepared, but it was staff's recommendation to continue this proposal to the December 3rd LAFCO Meeting.

Commissioner Tavaglione commented that if people had traveled from Thousand Palms to speak on this item, the Commission should allow them to speak.

Chair Kitahara concurred with Commissioner Tavaglione and opened the public hearing.

Patricia Saleh, 35220 Bandana Circle, Thousand Palms, CA 92276. Ms. Saleh stated that they will wait to give their group presentation until the December 3rd meeting.

Thomas Hughes, 73-330 San Carlos Drive, Thousand Palms, CA 92276. Mr. Hughes asked the Commission how long was it going to take before the proposal came for hearing. Mr. Spiliotis stated that due to all the other items on the agenda, staff did not have time to prepare all the analysis needed for this proposal.

Ray Blaney, 75-865 Chuckawalla Road, Thousand Palms, CA 92276. Mr. Blaney spoke in opposition to the proposed annexation.

Leisa Lukes, representing the City of Cathedral City, 68-700 Lalo Guerrero Avenue, Cathedral City, CA 92234. Ms. Lukes stated that she was available for any questions and will be returning in December when the proposal will be fully heard.

Moved (Tavaglione) seconded (Williams) to continue LAFCO 2008-09-4-Sphere of Influence Amendments (additions) to the City of Cathedral City (Thousand Palms) and the Cathedral City Community Services District (subsidiary) to December 3, 2009.

6/0 (Lowe absent)

- c. LAFCO 2008-18-2-Reorganization to Include Incorporation of Eastvale, Detachment from the Riverside County Waste Resources Management District and Detachment from the Jurupa Area Recreation and Park District.

Mr. Spiliotis presented the proposal as outlined in the staff report and further stated that the CFA was not presenting a conservative analysis as was required by Commission policy. He said that he outlined those concerns in the staff report presented to the Commission. Mr. Spiliotis expressed

several concerns and stated that based on the current CFAs, it was his opinion that the area would not support two cities at this time.

Mr. Spiliotis said that he had distributed to the Commission adjustments made subsequent to the staff report and the largest adjustment was regarding the vehicle license fees. Mr. Spiliotis stated that if the Commission approved the incorporation, the base property tax determination should incorporate the new number which will increase the base property tax by 3%.

Mr. Spiliotis discussed the revenue neutrality and stated that the fiscal analysis showed a net loss to the County of approximately a million dollars annually as a result of the Eastvale incorporation.

Mr. Spiliotis stated that it was staff's recommendation to deny the incorporation. He said that the Commission may wish to consider continuing the proposal to be heard concurrently with the Jurupa Valley incorporation proposal which was expected to be heard in February. He said that the Commission may also hold the incorporation request in abeyance for an extended period in the event economic or other factors change significantly enough to update the CFA. He said that holding the matter in abeyance would preserve the initiating petition, relieving the proponents of the necessity to recirculate the petition. He said that if the Commission approved the incorporation, statute required that the Commission make findings specifically rejecting the basis for staff's recommendation for denial. He said that there were required findings, determinations, terms and conditions that were attached to the staff report.

Commissioner Tavaglione commented that the previous efforts to incorporate severely divided the Community and it had taken many years to bring the community back to a more cohesive community.

Commissioner Tavaglione stated that when Eastvale asked to incorporate, they asked him for his support and he told them that he favored their effort only if the community supported the incorporation. He said that when the Jurupa Valley proponents asked him for his support he told them the same thing that he would support it only if the community was in full support of cityhood.

Commissioner Tavaglione said that he would not support incorporation at the risk of costing another area not being able to survive. He stated that regarding the revenue neutrality, although it was the law for the County to not lose revenue, it did not preclude them from negotiating with the County.

Commissioner Buster expressed concern with the CFA findings regarding the city might not be able to survive economically.

Jeffrey DeGrandpre, Eastvale Incorporation Committee, 12672 Limonite Avenue, #3-E-257, Corona, CA 92880. Mr. DeGrandpre expressed to the Commission that the entire community of Eastvale was in support of cityhood. He proceeded to address staff's concerns in relation to the CFA and outlined the reasons the Commission should approve their application for incorporation.

Mr. DeGrandpre said that the CFA before the Commission reflected data changes provided by LAFCO and Riverside County. He said that the revenue changes shown on the CFA were below the market findings from the major property owners, Randall Lewis, Lewis Operating Corporation and Brad Leal. He said that the Committee had accepted the data although their committee did not agree with it.

Mr. DeGrandpre said that they had worked hard to offer options and assistance to the proponents of the Jurupa Valley Incorporation Committee. He said that they had testified and attended several of their meetings with their government sponsored agency, the Jurupa Area Recreation and Park District. He said that unfortunately, every offer of assistance and support was turned down.

Mr. DeGrandpre introduced their financial consultant, Eric Nickell, Principal Consultant, Willdan. Mr. Nickell gave a quick overview and power point presentation of the October 2nd draft of the CFA for incorporation of Eastvale and also addressed the issues of concern outlined in the staff report.

Mr. Nickell said that there were about a million square feet of retail, 200,000 square feet of office space and over 4.4 million square feet of industrial uses planned for the area. He said that land use was the key to the fiscal solvency of either city applying for incorporation. He said that this was a contract city and as they incorporate, they will be contracting with the County for animal control, for fire and public protection services, and public works.

Mr. Nickell said that the city will be basically in charge of administrative matters, and may take on other matters as the city grew. He said that they looked at the Cities of Menifee, Coachella, La Quinta and Lake Elsinore for comparable staffing, salary and benefit levels. He said that those numbers were plugged into the cost side of CFA.

Commissioner Williams asked if \$1.10 for every \$1,000 in property taxes will be transferred when a property was sold. Mr. Nickel said that it was his understanding that half will go to the city and half will go to the County. Mr. Spiliotis reaffirmed the response.

Commissioner Henderson asked Mr. Spiliotis what figures the two recent incorporations used in their studies regarding the sales tax. Mr. Spiliotis responded that the Cities of Menifee and Wildomar used in their analyses \$175 per square foot for taxable sales for future development. Mr. Spiliotis said that the \$177 figure was used looking at the base year sales tax revenue documented by the State Board of Equalization over the existing commercial square footage reported by the County for the entire area, including the Jurupa Valley.

Commissioner Henderson stated that legitimately the figures were gathered from current statistics, revenues and estimates. Mr. Spiliotis stated that regarding taxable sales, he did not disagree that it was a low figure but the city needed to do a conservative analysis which was supported by the current data.

Commissioner Buster stated that over a ten-year period there will be a second fire station built and asked if the cost of building the new fire station was covered by the structural fire tax. Mr. Nickell responded that the CFA did not assume that the costs will be covered. However, there was ample money in the fund to carry another fire station.

Commissioner Buster asked Mr. Nickell if he had built anywhere in the estimates for natural, inevitable and very strong expectations from the citizens for better service levels. Mr. Nickell responded that the CFA did not promise higher service levels.

Commissioner Henderson asked Commissioner Tavaglione if he would still build the community center if Eastvale incorporated. Commissioner Tavaglione stated that regardless, he would still build the community center.

Commissioner Henderson asked if any part of the potential city boundaries were within a redevelopment boundary. Mr. Spiliotis said that only a relatively small area was within the redevelopment boundary.

Commissioner Lowe commented that in the last 20 years, the City of San Jacinto had not enjoyed the benefits of working together with the County in sharing some of the redevelopment funds. She said that the County had kept every dime and had not used it within any city limit. She said that just recently, they were going to work together to clean up blight within the redevelopment area in the City of Hemet. She expressed concern with being able to count on any revenue because the area in question was a redevelopment corridor. She said that the city may not realize this unless there was a cooperative agreement signed prior to incorporation.

Commissioner Lowe asked if it was the plan of the proposed new city to contract for the entire staff. Mr. Nickell responded that the attorney will probably be on a contract but as to the rest of the staff they might be full time or part time employees.

The Commission recessed for break at 11:04 a.m. and reconvened at 11:14 a.m.

Jeff Gibson, Consultant for Eastvale Incorporation. Mr. Gibson stated that the Eastvale Incorporation Committee and LAFCO had been very attentive in following the developments of the recession and the impacts on the data. He said that they had gone through 10 changes in growth and the latest change was done in August, 2009. He said that regarding the sales tax the latest change was done about three weeks ago. He said that they were dealing with as current data as the County would be using for its own projections.

Commissioner Lowe asked if the information provided was adjusted in August and how far it had come down. Mr. Gibson responded that it started with the County's projections at 30,000 units and ended it up at 16,800 units which was a very substantial drop. Mr. Gibson introduced Mr. John Cavanaugh, Counsel for the Committee.

John Cavanaugh, Counsel for the Eastvale Incorporation Committee. He said that if the Commission made a decision based on the fiscal viability of the two communities, the decision will be unprecedented for the LAFCO Commission.

Mr. Cavanaugh said that in looking at the CFA, the general service levels upon incorporation were not going to be negatively impacted or reduced. He said that pursuant to the revenue neutrality cooperative agreement, the general service levels for the County will not be impacted because they had made an agreement with the County over a 30-year period that will keep the County in a stable position upon incorporation.

Mr. Cavanaugh addressed the concern regarding the \$177 per square footage and stated that the number was higher for the community of Eastvale. He said that they had property owners who will be developing the area within the gateway center. He said that the Commission had to make reasonable projections based on current projections. He said that the numbers presented were very conservative even in these economic times.

Mr. Cavanaugh said that they did not wish to be conditioned upon the fiscal viability of a community that had not yet come before the Commission and that should not be a consideration. He said that the property owners of the Gateway Center wanted to be part of Eastvale. Mr. Cavanaugh presented and read a letter from Mr. Randall Lewis, Lewis Operating Corporation and Mr. Brad Leal expressing their wish to be part of Eastvale. He said that the policy stated that if the property owners wished to be part of Eastvale, the boundaries that Eastvale had proposed which was along the 15 freeway will remain in Eastvale. He said that the community of Eastvale submitted their application based on signatures. He said that it was the community who wants to become a city as well as the two large property owners. He asked the Commission to allow the voters to decide.

Pam Walls, Counsel for LAFCO stated that Mr. Cavanaugh had asked the Commission to not consider the impact it will have on the Jurupa Valley area. She said that under Cortese-Knox Government Code Section 56668 subdivision c., the Commission must to consider the effects of the proposed actions will have on adjacent areas.

Mr. Cavanaugh stated that this was correct but the committee wanted to emphasize the impact on the surrounding community of the proposed application. He said that the application submitted to the Commission will not have a negative impact on the surrounding communities.

Commissioner Williams left at 11:36 a.m.

The following persons spoke in favor of the incorporation proposal of Eastvale:

Kelly Howell, 7938 Saddle Tree Court, Corona, CA 92880. Ms. Howell stated that her family had dedicated their lives to public service. She said she was the secretary of the committee and had served on a variety of capacities. She said she was here to express her support for incorporation on behalf of the 5,000 families that had expressed their wishes to incorporate.

Jane Anderson, 6454 Daffodil Court, Corona, CA 92880. Ms. Anderson expressed her support for the incorporation proposal.

Deanne DeGrandpre, 7710 Alderwood Avenue, Corona, CA 92880. Ms. DeGrandpre expressed her support for the incorporation proposal.

Hari Dhiman, 12392 Current Dr., Mira Loma, CA 91752. Mr. Dhiman expressed his support for incorporation.

Michele Nissen, 7039 Misty Meadow, Corona, CA 92880. Ms. Nissen expressed her support for the incorporation proposal.

Adam Rush, 7203 Twinspur Ct., Eastvale, CA 92880. Mr. Rush expressed his support for the incorporation proposal.

Adolfo Pacheco, 6868 Gypsum Creek Dr., Eastvale, CA 92880. Mr. Pacheco expressed his support for the incorporation proposal.

Michael Aemijo, 7674 Alderwood, Eastvale, CA 92880. Mr. Aemijo expressed his support for the incorporation proposal.

Claudia Kunhardt, 5689 Cambria Drive, Mira Loma, CA 91752. An unidentified gentleman read a letter from Ms. Kunhardt who was representing residents from the community located east of Hamner and north of Limonite called "EastvaleEstates" expressing their support for the incorporation proposal.

Jean Fry, 6469 Amber Sky Way, Corona, CA 92880. Ms. Fry expressed her support for the incorporation proposal.

Andrea Hove, 14095 Lemon Valley, Corona, CA 92880. Ms. Hove read a letter from Kathie Bogart, President of the Jurupa Community Services District expressing her support for the incorporation proposal.

Dick Simmons, 7091 Ginko Ct., Corona, Ca 92880. Mr. Simmons stated that he was in favor of the Eastvale Incorporation; however, notwithstanding the fiscal issues that the Commission had to consider on viability was the people who lived in the affected area who were being forgotten. He said that those residents deserved representation. He felt that scenario two was the only viable option. He said that their community plan went all the way to Wineville. He said that they held public meetings on what the Commission was going to be deciding. He said that if the Commission denied the Petition, they were going to disfranchise the previous planning documents. He said that the Commission should be concerned with the Jurupa Incorporation because it was not done by resident petition. He said that the residents who lived in areas 2, 3, 4 and 5 were their families. He said that Jurupa Valley wanted those parcels because of the tax revenue those parcels were going to generate. He asked the Commission to carefully consider the options before making their final decision.

Shirli Wolfe, 13421 Shady Knoll, Corona, Ca 92880. Ms. Wolfe expressed her support for the incorporation proposal.

The following persons were neutral to the incorporation proposal:

Craig Maxwell, 9451 56th Street, Riverside, CA 92504. Mr. Maxwell stated that if the people of Eastvale want to become a city, he asked the

Commission to allow them to have their vote. He said that the historical boundary for both communities was Hamner.

Stephen Anderson, 11378 Pena Way, Mira Loma, Ca 91752. Mr. Anderson expressed his agreement with staff's recommendation because Eastvale was proposing higher density in their area. He said that the Committee was not considering the rural life style of the area.

Dave Zimmerman, 5304 Marlatt St., Mira Loma, Ca 91752. Mr. Zimmerman expressed his concern with the CFA, and the proposed boundary.

Juan M. Chavez, 10010 60th Street, Riverside, CA 92509. Mr. Chavez discussed his concern with the boundary line that historically should be at Hamner.

The following persons spoke in opposition to the incorporation proposal:

Irene Long, 6871 Sweet Clover Court, Corona, CA 92880. Ms. Long spoke in opposition to the incorporation proposal because the CFA showed a negative viability for the community.

Krista Lestina, Walters Street, Corona, CA 92880. Ms. Lestina expressed her opposition to the incorporation proposal.

Anne Marie Hughes, 6130 Camino Real, #300, Riverside, CA 92509. Ms. Hughes expressed her opposition to the incorporation proposal.

Fred Marcher, 6630 Black Forest, Eastvale, CA 92880. Mr. Marcher expressed his opposition to the incorporation proposal.

Tom Wilson, Crossroads Riverview Park, P. O. Box 1959, Corona, CA 92880. Mr. Wilson expressed his opposition to the incorporation proposal.

Rachel Lopez, 6599 Lucretra Avenue, Mira Loma, CA 91752. Ms. Lopez expressed her opposition to the incorporation proposal.

Josie Gaytan, 5575 Beach Street, Riverside, CA 92509. Ms. Gaytan expressed her opposition to the incorporation proposal.

Rebuttal:

Jeffrey DeGrandpre, Eastvale Incorporation Committee, 12672 Limonite Avenue, #3-E-257, Corona, CA 92880. Mr. DeGrandpre stated that the incorporation effort had been a grass root effort and they had not asked help from any government agency to sponsor them. He said that they had met all the requirements for viability with no new tax increases. He said that there was nothing in the CFA that will require tax increases. He said that they gathered the petitions, letters of support and the cooperation of all the County departments. He said that the boundaries were within the Eastvale General Plan. He said that they went by the maps approved by the County of Riverside.

Mr. DeGrandpre asked the Commission for their approval because there was nothing to gain from delaying the decision. He said that there was no red-

ink in the CFA. He said that they did look at Hamner as a possible boundary and it was discounted immediately as being not feasible. He said that he learned from this process that things change and wanted to keep everything as current and conservative as possible. He felt that it would take very good leadership of a new city council to manage the new city in a prudent manner.

Mr. DeGrandpre said that he had offered his help to the Jurupa Valley Incorporation Committee and hoped that they will be successful in their efforts. He said that Eastvale Incorporation Committee were viable and organized and were here today to ask the Commission to grant them approval of their incorporation request.

Commissioner Tomanelli stated that they had before them two competing proposals. He said that there was a substantial amount of land that both proposals would like to claim.

Mr. Tomanelli asked Mr. DeGrandpre if he could state without a doubt that the approval of the Eastvale Incorporation will not be to the detriment of any other community. Mr. DeGrandpre responded that he could not say for certain. He said that going through the different CFA processes of modifying the numbers and adjusting them towards where the economy was today, perhaps the Jurupa Valley Incorporation Committee could take another look at their CFA. He said that perhaps they might be able to find some instances where they can increase their revenue. He said that there was a lot of land along the 60 freeway and a lot of land along the 15 freeway and when you do an in depth analysis, they will find other opportunities that will help them to become feasible. He said that there were ways for them to become viable and offered his help to them. He said that rather than refusing to take another look at the CFA that they should take a closer look. Mr. Tomanelli asked if he was willing to work with the Jurupa Valley Incorporation Committee and Mr. DeGrandpre responded in the affirmative.

Commissioner Tavaglione said that the bottom line was going to be regarding issues about boundaries and the financial viability of both communities. He said that these concerns will be determined by the boundaries because the sales tax revenue and the property tax revenue were what drove the success of the community. He said that with that in mind and in trying to keep both communities coordinated, the Board of Supervisors came up with \$100,000 for both efforts to help fund their consultants and the petition effort. He said that it has been his belief all along that the only way both efforts will survive will be if they go to the 15 freeway. He felt that it was time for each of the areas to become cities. However, it was the worst time financially because everyone was hurting. He said that in order for both areas to incorporate, they were going to have to negotiate with Riverside County and recognize that perhaps the County would have to give up a little.

Commissioner Tavaglione said that if the Eastvale incorporation was approved at this time, they will be going for election in April. He said that he had discussed this with staff. He said that in order for both requests to be heard at the same time and be able to sit down at the table, he offered to bring them back at a special meeting, Thursday, January 21st. He said that if it was approved, the Board of Supervisors must call for an election by January 26th and that would put both community efforts on the ballot on June

8th. He said that this would only cause Eastvale to fall behind two months and will expedite Jurupa Valley. He said that the hearing will allow both communities to vote on their destiny for cityhood. He felt that this was a fair compromise and asked the rest of the Commissioners to support his suggestion.

Commissioner Buster expressed his support for Commissioner Tavaglione's recommendation and stated that the Commission needed to take a closer look at the financial data and boundary issues before making the final decision.

Commissioner Henderson stated that it was LAFCO's main concern for the communities to come together and discuss their issues and hopefully be able to come to an agreement. She said that unfortunately, she felt it was not the right time to approve the incorporation due to the current economic situation. She stated that she did not see a good solid economic future for the city to survive.

Commissioner Tavaglione supported Commissioner Henderson's motion to continue the incorporation proposal to Thursday, January 21st.

Moved (Henderson) seconded (Tavaglione) to continue LAFCO LAFCO 2008-18-2-Reorganization to Include Incorporation of Eastvale, Detachment from the Riverside County Waste Resources Management District and Detachment from the Jurupa Area Recreation and Park District to a special meeting on Thursday, January 21, 2010, 9:30 a.m.
6/0 (Williams absent)

The Commission recessed for lunch at 1:16 p.m. and reconvene at 1:44 p.m.

Commissioner Buster did not return after the lunch recess.

- d. LAFCO 2009-01-3-Reorganization to Include Annexation 78 (Country Lake/San Jacinto Avenue) to the City of San Jacinto and Detachment from the City of San Jacinto and the Riverside County Waste Resources Management District. **(The City requests a continuance to December 3, 2009).**

Moved (Lowe) seconded (Tavaglione) to continue LAFCO 2009-01-3-Reorganization to Include Annexation 78 (Country Lake/San Jacinto Avenue) to the City of San Jacinto and Detachment from the City of San Jacinto and the Riverside County Waste Resources Management District to December 3, 2009.
5/0 (Williams and Buster absent)

- e. LAFCO 2009-08-5-Reorganization to Include Annexation 37 to the City of Desert Hot Springs, Concurrent Detachment from the Riverside County Waste Resources Management District and Detachments from County Service Areas 13 and 15.

Moved (Lowe) seconded (Henderson) to continue LAFCO 2009-08-5-Reorganization to Include Annexation 37 to the City of Desert Hot Springs, Concurrent Detachment from the Riverside County Waste Resources Management District and Detachments from County Service Areas 13 and 15 to December 3, 2009 as recommended by staff.

5/0 (Williams and Buster absent)

- f. LAFCO 2009-09-5-Reorganization to Include Annexation 36 to the City of Desert Hot Springs and Concurrent Detachment from the Riverside County Waste Resources Management District.

Moved (Lowe) seconded (Henderson) to continue LAFCO 2009-09-5-Reorganization to Include Annexation 36 to the City of Desert Hot Springs and Concurrent Detachment from the Riverside County Waste Resources Management District to December 3, 2009 as recommended by staff.

5/0 (Williams and Buster absent)

- g. LAFCO 2009-10-1-Municipal Service Review - City of Wildomar.

No one from the public wished to speak on this item.

Moved (Lowe) seconded (Henderson) to receive and file LAFCO 2009-10-1-Municipal Service Review-City of Wildomar and adopt the required determinations included in the MSR for the City of Wildomar as recommended by staff.

5/0 (Williams and Buster absent)

LAFCO 2009-11-1-Establish a Sphere of Influence for the City of Wildomar.

No one from the public wished to speak on this item.

Moved (Lowe) seconded (Henderson) to establish a coterminous sphere of influence for the City of Wildomar and adopt the statement of determinations included in the staff recommendation.

5/0 (Williams and Buster absent)

- h. LAFCO 2009-16-4-Municipal Service Review - City of Palm Desert.

Moved (Henderson) seconded (Lowe) to continue LAFCO 2009-16-4-Municipal Service Review - City of Palm Desert to December 3, 2009.

5/0 (Williams and Buster absent)

- i. LAFCO 2009-17-4-Sphere of Influence Review and Potential Amendments-City of Palm Desert.

Chair Kitahara opened the public hearing on items i. and j.

Bill Murphy, President of Board of Directors of Sun City-Palm Desert Community Association, 78476 Valle Vista, Palm Desert, CA 92211. Mr. Murphy stated that the vast majority of the residents of Sun City-Palm Desert were in support of staff's recommendation.

Melissa Grisa, Representing the City of Palm Desert, 44695 San Benito Circle, Palm Desert, CA 92260. Ms. Grisa said that they were in agreement to continuing the item to the December 3rd LAFCO Hearing to further discuss this proposal at length at that hearing.

Anne Leach, Board Member of the Sun City-Palm Desert Community Association, 78240 Bonanza, Palm Desert, CA 92211. Ms. Leach stated that the Community Council had voted in favor of reinstating the sphere of influence into the City of Palm Desert; therefore, they were in full support of this change.

Patricia Saleh, Thousand Palms, Preservation Study Group, 35220 Bandana Circle, Thousand Palms, Ca 92276. Ms. Saleh expressed her opposition to the reinstatement of part of Thousand Palms into the sphere of influence of the City of Palm Desert.

Ray Blaney, 75-865 Chuckawalla Road, Thousand Palms, CA 92276. Mr. Blaney expressed his opposition to the reinstatement of the sphere of influence of Thousand Palms into the City of Palm Desert.

Commissioner Tavaglione left at 2:18 p.m.

Roy Nokes, 30-600 Calle Helene, Thousand Palms, CA 92276. Mr. Nokes expressed his opposition of having Thousand Palms be part of the City of Palm Desert sphere of influence.

Moved (Henderson) seconded (Lowe) to continue LAFCO 2009-17-4-Sphere of Influence Review and Potential Amendments-City of Palm Desert to December 3, 2009.

4/0 (Williams, Buster and Tavaglione absent)

k. LAFCO 2009-24-2-Annexaton to Lee Lake Water District (Laliberte).

No one from the public wished to speak on this item.

Moved (Henderson) seconded (Lowe) to approved LAFCO 2009-24-2-Annexation to Lee Lake Water District (Laliberte) as recommended by staff.

4/0 (Williams, Buster and Tavaglione absent)

5. PUBLIC COMMENTS.

There were no public comments.

6. RECEIVE AND FILE:

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

i. LAFCO 2009-33-5-Sphere of Influence Amendments to the City of Moreno Valley and the Moreno Valley Community Services District (subsidiary) (Additions) and Sphere of Influence Amendment from the City of Riverside (Removal) and Reorganization to Include Detachment from the City of Riverside and Concurrent Annexations

to the City of Moreno Valley and the Moreno Valley Community Services District (subsidiary) (SR 60/Day Street).

b. LAFCO Monthly Expenditure Review.

Moved (Lowe) seconded (Henderson) to receive and file 6.a. Information Items and 6.b. Monthly Expenditure Review.
4/0 (Williams, Buster and Tavaglione absent)

7. EASTVALE INCORPORATION COMMITTEE - REQUEST FOR DEFERRAL OF FEES.

Mr. Spiliotis presented the report as outlined in the staff report. Mr. Spiliotis said that the Incorporation Committee had stated that they could pay \$5,000 at this time and had requested a deferral of 60 days to pay the remainder \$11,000. He said that to date LAFCO had not received the installment of \$5,000. Mr. Spiliotis clarified that it was not a waiver but only a deferral of fees to be paid at a later time.

Moved (Lowe) seconded (Henderson) to approve the request from the Eastvale Incorporation Committee for a deferral of fees.
4/0 (Buster, Williams and Tavaglione absent)

8. REQUEST FOR WAIVER OF FISCAL IMPACT REPORT REQUIREMENT-ANNEXATION (STAR RANCH) TO THE CITY OF CORONA.

Moved (Lowe) seconded (Henderson) to approve the Request for Waiver of Fiscal Impact Report Requirement-Annexation (Star Ranch) to the City of Corona as recommended by staff.
4/0 (Buster, Williams and Tavaglione absent)

9. LOCAL AGENCY SHARE STATUS REPORT. (ORAL UPDATE).

Mr. Spiliotis stated that as of a few days ago there were only three agencies that had not paid their LAFCO agency share. He said they were the Cities of Blythe and Murrieta and the Elsinore/Murrieta/Anza Resource Conservation District. He said that the options were to send another reminder notice or authorize the Auditor-Controller to take the funds out of the property tax proceeds.

Commissioner Lowe and Henderson suggested doing the latter suggestion.

Moved (Lowe) seconded (Henderson) to direct the Executive Officer to authorize the Auditor-Controller's Office to take the funds out of the property tax proceeds.
4/0 (Williams, Buster and Tavaglione absent)

10. MISCELLANEOUS STAFF REPORTS.

There were no miscellaneous staff reports to present to the Commission.

11. COMMISSION COMMENTS/FUTURE AGENDA ITEMS.

Commissioner Lowe mentioned bringing before the Commission a waiver of the waiting period for the Temecula annexation. Commissioner Lowe commented that she had met with Gary Johnson, Granite Construction and he had commented that he and the Mayor of Temecula were working together on bringing back a new application for annexation to the City of Temecula.

12. ADJOURNMENT.

The Commission adjourned at 2:24 p.m.

Respectfully submitted,

George J. Spiliotis
Executive Officer