

2.
5/26/2016

MINUTES
April 28, 2016

Present: Nancy Wright, **Chair**
 Douglas Hanson, **Vice Chair**
 Kevin Jeffries
 Eugene Montanez
 Stephen Tomanelli
 Phil Williams

Absent: Chuck Washington

Present Staff: George J. Spiliotis, Executive Officer
 Crystal Craig, Local Government Analyst
 Adriana Romo, Local Government Analyst
 Elizabeth Valdes, LAFCO Secretary
 Karin Watts-Bazan, Legal Counsel

1.1 CALL TO ORDER AND SALUTE TO THE FLAG.

The meeting was called to order by Chair Wright at 9:32 a.m.

1.2 ROLL CALL.

2. APPROVAL OF MINUTES OF MARCH 24, 2016.

Moved (Tomanelli) seconded (Williams) to approve the minutes of the March 24, 2016 LAFCO meeting.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.
NOES: None
ABSENT: Washington.
ABSTAINED: None

3. CONSENT (NON-HEARING ITEMS).

- a. LAFCO 2015-12-3-Reorganization to Include Annexation 96 to County Service Area 84 and Detachment from County Service Area 146 (TR 31632) and pursuant to the California Environmental Quality Act, the Commission, as a responsible agency, will review and consider Addendum #1 to the Environmental Impact Report No. 380 prepared by the County of Riverside, as lead agency, and adoption of a resolution making determinations on the proposal.

Moved (Jeffries) seconded (Hanson) to approve LAFCO 2015-12-3- LAFCO 2015-12-3-Reorganization to Include Annexation 96 to County Service Area 84 and Detachment from County Service Area 146 (TR 31632) as recommended by staff including the correction to recommendation number 1 as noted by staff.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.
NOES: None
ABSENT: Washington.
ABSTAINED: None

4. PUBLIC HEARINGS:

Continued:

- a. LAFCO 2015-07-1-Reorganization to Include Annexation 83 (Nichols Road) to the City of Lake Elsinore and Concurrent Annexation to Northwest Mosquito and Vector Control District and Concurrent Detachment from the Riverside County Waste Resources Management District and pursuant to the California Environmental Quality Act, the Commission, as responsible agency, will review and consider Addendum #1 with the Program Environmental Impact Report prepared for the City's General Plan Update by the City of Lake Elsinore, as lead agency, and adoption of a resolution making determinations on the proposal **(Continued from March 24, 2016; Staff recommends continuance to May 26, 2016).**

Moved (Montanez) seconded (Williams) to continue LAFCO 2015-07-1-Reorganization to Include Annexation 83 (Nichols Road) to the City of Lake Elsinore and Concurrent Annexation to Northwest Mosquito and Vector Control District and Concurrent Detachment from the Riverside County Waste Resources Management District to May 26, 2016.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.
NOES: None
ABSENT: Washington.
ABSTAINED: None

New:

- b. Proposed Budget for Fiscal Year 2016-17.

Mr. Spiliotis presented this item. He stated that operating expenditures are down and total appropriations were up from current year budget. He said the most significant change in the budget was to fully fund the Compensated Absences Reserves account by fiscal year 2017-18. He said this was the main reason for the increase in the Local Agency Share. Mr. Spiliotis spoke about projects budgeted for next year. He said the proposed budget was sent to the cities and special districts and the final budget will be sent also for comment. Mr. Spiliotis reviewed the process for collecting the local agency share by the Auditor Controller's Office. He also thanked the Administrative Review Committee for their review and direction in the budget development process.

Chair Wright opened the public hearing. There being no one wishing to speak the public hearing was closed.

Commissioner Jeffries asked if LAFCO could go with a different IT provider to save on costs associated with Riverside County Information Technology (RCIT).

Mr. Spiliotis stated that LAFCO currently had IT services with a different vendor but utilized RCIT for financial and payroll services. He said LAFCO would look into other options.

Commissioner Montanez asked about looking for new office space within a County owned building to save costs. Mr. Spiliotis stated that the current rate in our new space was significantly lower but he would look at other options prior to the current lease expiring.

Commissioner Hanson asked if LAFCO should be looking at moving away from the County due to the increases that we have no control over. Commissioner Jeffries said yes if there is a way to do so then it should be considered. Mr. Spiliotis clarified that the methodology in the RCIT billing helped some departments, however, not other departments such as LAFCO. Mr. Spiliotis said he would look into pricing for a private accountant.

Moved (Hanson) seconded (Jeffries) to approve the Proposed Budget for Fiscal Year 2016-17.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.

NOES: None

ABSENT: Washington.

ABSTAINED: None

5. PUBLIC COMMENTS ON ANY ITEMS NOT ON THE AGENDA.

There were no public comments.

6. INFORMATION ITEMS: Proposals Received (Government Code Section 56857, 56751) - No Action to be Taken by the Commission:

- a. LAFCO 2016-01-3-Annexation 124 to County Service Area 103 (TR 32290).

7. RECEIVE AND FILE:

- a. LAFCO Monthly Expenditure Review.

Moved (Williams) seconded (Tomanelli) to receive and file the LAFCO Monthly Expenditure Review.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.

NOES: None

ABSENT: Washington.

ABSTAINED: None

8. RECENTLY EXECUTED AGREEMENTS FOR SERVICES.

Mr. Spiliotis stated that the agreement with Royal Imaging was executed.

9. FISCAL YEAR 2016-17 MEETING SCHEDULE.

Mr. Spiliotis presented the meeting dates for the upcoming year. After some discussion, the Commission meeting schedule was decided.

Moved (Jeffries) seconded (Montanez) to approve the Fiscal Year 2016-17 Meeting Schedule as follows:

July 28, 2016
September 22, 2016
November 10, 2016
December 8, 2016
January 26, 2017
February 23, 2017
March 23, 2017
April 27, 2017
May 25, 2017
June 22, 2017

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.

NOES: None

ABSENT: Washington.

ABSTAINED: None

10. LEGISLATIVE UPDATE AND POTENTIAL POSITIONS.

Mr. Spiliotis spoke about AB 2470. He said that this bill bypasses the LAFCO process. He said that this bill doesn't directly impact Riverside County but that LAFCO was currently in the negotiation process for an annexation for tribal territory. He said that LAFCO was expecting an application in the near future for this territory. He said the Commission may not want to take and oppose position as recommended, but take a watch position and write a letter of concern.

Moved (Tomanelli) seconded (Jeffries) to take a watch position and not write a letter of concern on AB 2470.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.

NOES: None

ABSENT: Washington.

ABSTAINED: None

Mr. Spiliotis spoke about AB 2414. He said this bill would authorize annexation of the eastern portion of the Coachella Valley to the Desert Healthcare District, bypassing procedures set out in current law. He said that there were amendments made to the bill after discussing it with Assemblymember Garcia and CALAFCO staff. He said the primary issue outstanding was the authority of LAFCO to exercise its discretion to act on the annexation proposal.

Moved (Tomanelli) seconded (Williams) to authorize the Executive Officer to remove opposition to AB 2414 and change it to a watch position if the primary outstanding issue regarding the authority of LAFCO to exercise its discretion to act on the annexation proposal can be resolved.

AYES: Wright, Jeffries, Montanez, Tomanelli and Williams.

NOES: None

ABSENT: Washington

ABSTAINED: Hanson

Mr. Spiliotis spoke about significant amendments to SB 1318. He said that amendments were made and new findings were added. He said one of the most significant changes made was to the municipal service review process. He said the general intent of the bill was to disallow sphere expansions and extra territorial service extensions unless that subject city or district has provided water and wastewater services to all the DUCs. He said that LAFCO was already in opposition to this bill.

The Commission discussed problems with the legislative approach to DUCs. There was also further discussion on the bill.

Moved (Tomanelli) seconded (Montanez) to continue to oppose SB 1318.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.

NOES: None

ABSENT: Washington

ABSTAINED: None

11. REPORT ON CONDUCTING AUTHORITY PROCEEDINGS.

- a. LAFCO 2015-04-4-Annexation to Valley Sanitary District (Indian Springs).
- b. LAFCO 2015-06-2-Reorganization to Include Annexation to Temescal Valley Water District (Parcel 1) and Annexation to Temescal Valley Water District and Concurrent Detachment from Elsinore Valley Municipal Water District (Parcel 2) (Toscana).
- c. LAFCO 2015-10-3-Annexation 123 to County Service Area 103 (TR 36437).

Mr. Spiliotis gave a summary of the latest actions taken on the proposals outlined in the staff report and stated that no action was necessary on this report.

12. DETERMINATION OF EXEMPTION FROM THE PROVISIONS OF GOVERNMENT CODE SEC. 56133 (EXTRATERRITORIAL SERVICE EXTENTION)-EL SINORE MURRIETA ANZA RESOURCE CONSERVATION DISTRICT AND MISSION RESOURCE CONSERVATION DISTRICT.

Mr. Spiliotis summarized the request for exemption.

Moved (Williams) seconded (Tomanelli) to determine that the contracted irrigation audit services by Mission Resource Conservation District within the boundaries of Elsinore-Murrieta-Anza Resource Conservation District was exempt from the requirement for Commission approval as recommended by staff.

AYES: Wright, Hanson, Jeffries, Montanez, Tomanelli and Williams.

NOES: None

ABSENT: Washington

ABSTAINED: None

13. EXECUTIVE OFFICER REPORTS.

Mr. Spiliotis stated that there was nothing to report at this time.

14. COMMISSIONER COMMENTS/FUTURE AGENDA ITEMS.

There were no Commissioners comments.

15. ADJOURNMENT.

Chair Wright adjourned the meeting at 10:39 a.m. to the next meeting on May 26, 2016.

Respectfully submitted,

George J. Spiliotis
Executive Officer