



2.
6/27/2019

MINUTES
May 23, 2019

Present: Steve Sanchez, Chair
Stephen Tomanelli, Vice Chair
Kevin Jeffries
Michael Vargas
Phil Williams
Nancy Wright

Absent: Jeff Hewitt

Present Staff: Crystal Craig, Interim Executive Officer
Joshua Altopp, Local Government Analyst III
Elizabeth Valdez, Commission Clerk
Tiffany North, Legal Counsel

1. CALL TO ORDER AND SALUTE TO THE FLAG.

Chair Sanchez called the meeting to order at approximately 9:30 a.m.

1.2. ROLL CALL.

1.3. ANNOUNCEMENT CONCERNING CONTRIBUTIONS TO COMMISSION MEMBERS.

Counsel North made a statement to the public regarding disclosure of contributions made to Commissioners.

2. APPROVAL OF THE MINUTES OF APRIL 25, 2019.

Moved (Tomanelli) seconded (Williams) to approve the Minutes of April 25, 2019.

Chair Sanchez called for the vote.

AYES: Jeffries, Sanchez, Tomanelli, Vargas, Williams, and Wright.

NOES: None.

ABSENT: Hewitt.

ABSTAINED: None.

3. CONSENT (NON-HEARING ITEMS):

There were no consent items.

4. PUBLIC HEARINGS:**Continued:**

There were no continued public hearing items.

New:

- a. LAFCO 2019-01-1,2,3,4&5-Countywide Water & Wastewater Municipal Service Review - Western County Region, Pass Mountain Region, & Coachella Valley/Eastern Region Water and Wastewater Agencies and a finding of exemption pursuant from the California Environmental Quality Act and adoption of a resolution making determinations on the proposal.

Ms. Craig presented this item. She gave a brief overview of the LAFCO municipal service review (MSR) process. She stated the Project Resource Specialists was selected to prepare this MSR. She stated this was a full review of water and wastewater services of 12 cities and 32 special districts in the Western, Pass/Mountain and Coachella Valley/Eastern regions of the County. Ms. Craig stated that the MSR will be used as a future analytical tool when reviewing the agency's spheres of influence. She introduced Harry Ehrlich to present the MSR.

Harry Ehrlich, Project Resource Specialists. Mr. Ehrlich gave a PowerPoint presentation to the Commission. He briefly reviewed each agency and spoke about future reorganizations of some districts. He stated that the MSR included boundary maps with the SOI overlay, detailed discussion of agency operations and finances, and recommended determinations were made for each agency reviewed. Mr. Ehrlich stated that most of the agencies provided comments, all of which were incorporated in the review.

Commissioner Jeffries stated that it is a challenge to comply with State mandated affordable housing where the infrastructure isn't available.

Mr. Ehrlich stated legislation is being introduced for agencies to receive State funding to help address those issues.

Commissioner Williams asked if the MSR is approved how does it affect the Murrieta Focused MSR study that is currently in progress right now.

Mr. Ehrlich replied that there is special language addressing the study in the MSR stating that it is ongoing for those agencies involved.

Counsel North asked if there were proposed determinations for the areas being studied in the Focused MSR. Mr. Ehrlich replied that

written into this MSR was language stating another study is being done and the results of that study could result in recommendations for alternatives.

Counsel North stated that the Commission could approve this MSR since it addressed that the other MSR is in progress.

The Commission discussed if the areas being studied in the Murrieta Focused MSR should be included in their approval of this proposal. They spoke about the language used in the MSR and that as long as there was a disclosure it should be fine to approve this proposal.

Chair Sanchez opened the public hearing.

Neutral Speakers:

Group presentation:

Kathryn Elliot, Western Municipal Water District customer and resident of Murrieta. Ms. Elliot gave a handout to the Commission. Ms. Elliot stated the fiscal concerns of the water agencies in the City of Murrieta were not addressed in the MSR. She also stated that there was no mention or recommendation of consolidation of the agencies. She stated her concerns of the accuracy of information presented.

Barbara Ankele, Western Municipal Water District customer and resident of Murrieta. Ms. Ankele spoke about the financials of the water districts that service the City of Murrieta. She stated there was no standard of measurement and the results for each District were presented differently.

Daphne Grigsby, Western Municipal Water District customer and resident of Murrieta. Ms. Grigsby stated that there were too many inconsistencies and inaccuracies found in the three districts in the City of Murrieta that it raised concerns over the accuracy of the entire MSR. She stated that if the MSR is to be used as a tool and the decisions being made from the information presented then it needs to be corrected and brought back before the Commission for approval. Ms. Grigsby stated her concerns of how the public is notified.

Chair Sanchez closed the public hearing.

Commissioner Wright asked if the MSR being voted on today could be changed if information is received. Ms. Craig stated that appendices and or errata's can and would be posted on the website as received.

Ms. Craig stated that all comments received for the areas being studied in the Murrieta Focused MSR have been provided to the consultant.

Commissioner Williams asked if there was a standard used when reviewing the debt to assets of each district. Mr. Ehrlich replied that staff or the Commission would determine benchmarks and that there were no set factors to look at.

The Commission discussed whether to approve the MSR or to put a condition on the approval.

Moved (Jeffries) seconded (Tomanelli) to receive and file LAFCO 2019-01-1,2,3,4&5-Countywide Water & Wastewater Municipal Service Review - Western County Region, Pass Mountain Region, & Coachella Valley/Eastern Region Water and Wastewater Agencies as recommended by staff.

Chair Sanchez called for the vote.

AYES: Jeffries, Sanchez, Tomanelli, Vargas, and Wright.

NOES: Williams.

ABSENT: Hewitt.

ABSTAINED: None.

b. LAFCO 2019-03-3-Reorganization to Include Concurrent Annexations to Eastern Municipal Water District and the Metropolitan Water District of Southern California (110th Fringe) and a finding of exemption from the California Environmental Quality Act and adoption of a resolution making determinations on the proposal.

Ms. Craig presented this proposal. She stated it was a standard annexation to both Eastern Municipal Water District and Metropolitan Water District. She stated that the annexation would provide the three parcels with adequate levels of water service.

Chair Sanchez opened the public hearing, there being no one wishing to speak he closed the public hearing.

Moved (Vargas) seconded (Williams) to approve LAFCO 2019-03-3-Reorganization to Include Concurrent Annexations to Eastern Municipal Water District and the Metropolitan Water District of Southern California (110th Fringe) as recommended by staff.

Chair Sanchez called for the vote.

AYES: Jeffries, Sanchez, Tomanelli, Vargas, Williams, and Wright.

NOES: None.

ABSENT: Hewitt.

ABSTAINED: None.

c. Final Budget for Fiscal Year 2019-20.

Ms. Craig presented the Final Budget to the Commission. She stated there were minor changes between the Proposed Budget and the one before them today. She stated that due to increases in the appropriations for travel and postage she is recommending decreasing the amount transferred into the General Reserve/Economic Uncertainty account.

Chair Sanchez opened the public hearing and there being no one wishing to speak he closed the public hearing.

Moved (Tomanelli) seconded (Wright) to approve the Final Budget for Fiscal Year 2019-20 as recommended by staff.

Chair Sanchez called for the vote.

AYES: Jeffries, Sanchez, Tomanelli, Vargas, Williams, and Wright.

NOES: None.

ABSENT: Hewitt.

ABSTAINED: None.

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

Group Presentation:

Kathryn Elliot gave a handout to the Commission. Ms. Elliot spoke about the public kick-off meeting for the Murrieta Focused MSR. She stated her concerns about how the meeting was noticed and ran. She mentioned comments made in the meeting raised concerns by residents. She spoke about discrepancies in the map of the study area being used.

Barbara Ankele spoke about the public kick-off meeting for the Murrieta Focused MSR. She stated her concerns about how the meeting was noticed and the venue in which it was held. Ms. Ankele stated that West Yost Associates would summarize questions and comments made by the public at the meeting and include them in the report. She stated she would like to see the public have input during the preparation of the study.

Daphne Grigsby stated the public would like to be kept in the loop as the study progresses. She stated the public would like to be notified and observe meetings held by West Yost Associates, and any meetings of the Commission be held in a large venue in the City of Murrieta.

Jim Barrett, General Manager of Coachella Valley Water District (CVWD), 48660 Legacy Dr., La Quinta, CA 9247. Mr. Barrett spoke about AB 854, proposing to add board members to Imperial Irrigation District (IID). He also spoke about the agreement between CVWD and IID and stated it is coming to an end in 12 years and is in discussions with

the cities and districts in the Coachella Valley regarding this.

6. INFORMATION ITEMS: No action to be taken by Commission.

a. Proposals Received (Government Code Sections 56751 and 56857):

There were no new proposals received.

b. Report on Conducting Authority Proceedings.

Ms. Craig gave an update on the pending Conducting Authority Proceedings.

7. RECEIVE AND FILE:

a. LAFCO Monthly Expenditure Review.

Moved (Tomanelli) seconded (Vargas) to receive and file item 7a. LAFCO Monthly Expenditure Review.

Chair Sanchez called for the vote.

AYES: Jeffries, Sanchez, Tomanelli, Vargas, Williams, and Wright.

NOES: None.

ABSENT: Hewitt.

ABSTAINED: None.

8. LEGISLATIVE UPDATE AND POTENTIAL POSITIONS. (Oral Report)

Ms. Craig stated that last month, the Commission took a support position on this bill that was introduced by Assembly member Chad Mayes. She gave an update on AB 854 stating that the bill was heard by the Appropriations Committee and it was held as a 2-year bill which means it is still alive for consideration by the Committee until January 2020.

9. SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR INFORMATION TECHNOLOGY SERVICES: ONSITE COMPUTING, INC.

Ms. Craig stated that the Commission has a current agreement with Onsite Computing, Inc. She stated they have provided excellent service and that they have offered to extend the agreement for up to five years at the same rate.

Moved (Williams) seconded (Jeffries) to approve the Second Amendment to the Professional Services Agreement for Information Technology Services with Onsite Computing Inc. as recommended by staff.

Chair Sanchez called for the vote.

AYES: Jeffries, Sanchez, Tomanelli, Vargas, Williams, and Wright.

NOES: None.

ABSENT: Hewitt.

ABSTAINED: None.

10. INTERIM EXECUTIVE OFFICER REPORTS.

Ms. Craig stated that Gary Thompson will be starting May 28, 2019. She also stated the next LAFCO meeting will be June 27th.

11. COMMISSIONER COMMENTS/FUTURE ITEMS.

Commissioner Williams asked if there would be another kick-off meeting for the Murrieta Focused MSR due to the lack of noticing of the previous meeting.

Ms. Craig stated that any additional meetings may change the scope of work for West Yost Associates.

The Commission agreed that another meeting should be held at no additional cost and it be properly noticed by all agencies involved.

Commissioner Wright asked that today's MSR PowerPoint presentation be emailed to them.

12. ADJOURNMENT.

Chair Sanchez adjourned the meeting at 10:44 a.m.

Respectfully submitted,



Crystal M. Craig
Interim Executive Officer