

2.
1/26/2012

MINUTES
December 8, 2011

Present: Stephen Tomanelli, **Chair**
Phil Williams, **Vice Chair**
Bob Buster
Terry Henderson
Eugene Montanez
Nancy Wright

Absent: John Tavaglione

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

1.1 CALL TO ORDER AND SALUTE TO THE FLAG.

The meeting was called to order by Chair Tomanelli at 9:34 a.m.

1.2 ROLL CALL.

1.3 SELECTION OF OFFICERS

- a. **Chair**
- b. **Vice-Chair**

Moved (Williams) seconded (Wright) to reappoint Commissioner Stephen Tomanelli as Chair to the LAFCO Commission.
6/0 (Tavaglione absent)

Moved (Tomanelli) seconded (Wright) to reappoint Commissioner Williams as Vice Chair to the LAFCO Commission.
6/0 (Tavaglione absent)

1.4 COMMITTEE ASSIGNMENTS.

- a. **Administrative Review Committee**
(Currently Commissioners Tomanelli, Wright and Montanez)
- b. **Legislative Committee.**
(Currently Commissioners Williams and Tavaglione)

Moved (Williams) seconded (Henderson) to reappoint Commissioners Tomanelli, Wright and Montanez to the Administrative Review Committee.
6/0 (Tavaglione absent)

Moved (Wright) seconded (Henderson) to reappoint Commissioners Williams and Tavaglione to the Legislative Committee.

6/0 (Tavaglione absent)

2. APPROVAL OF MINUTES OF SEPTEMBER 29, 2011.

Moved (Henderson) seconded (Montanez) to approve the Minutes of September 29, 2011.

6/0 (Tavaglione absent)

3. CONSENT(NON-HEARING ITEMS):

There were no consent items.

4. PUBLIC HEARINGS:

CONTINUED:

- a. LAFCO 2007-31-4-Reorganization to Include Annexation 86 to the City of Indio (Citrus Ranch) and Concurrent Detachment from the Riverside County Waste Resources Management District. **(Continued from September 29, 2011; Staff recommends continuance to March 22, 2012).**

Moved (Henderson) seconded (Montanez) to continue LAFCO 2007-31-4-Reorganization to Include Annexation 86 to the City of Indio (Citrus Ranch) and Concurrent Detachment from the Riverside County Waste Resources Management District to March 22, 2012.

6/0 (Tavaglione absent)

- b. LAFCO 2009-01-3-Reorganization to Include Annexation 78 (Country Lake/San Jacinto Avenue) to the City of San Jacinto and Concurrent Detachments from the Riverside County Waste Resources Management District (Parcels A & B) Detachment from the City of San Jacinto (Parcel C only) **(Continued from September 29, 2011).**

Moved (Henderson) seconded (Williams) to continue LAFCO 2009-01-3-Reorganization to Include Annexation 78 (Country Lake/San Jacinto Avenue) to the City of San Jacinto and Concurrent Detachments from the Riverside County Waste Resources Management District (Parcels A & B) Detachment from the City of San Jacinto (Parcel C only) to January 26, 2012.

6/0 (Tavaglione absent)

NEW:

- c. LAFCO 2011-10-5-Annexation to Mission Springs Water District.

Ms. Romo presented the proposal as outlined in the staff report.

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

Moved (Henderson) seconded (Williams) to approve LAFCO 2011-10-5-Annexation to Mission Springs Water District as recommended by staff

and with the correction to the staff recommendation on page 5, 4.c. Lee Lake Water District should read as Mission Springs Water District.
6/0 (Tavaglione absent)

- d. LAFCO 2011-13-3-Sphere of Influence Amendment (removal) to the City of Canyon Lake and Reorganization to Include Detachment from the City of Canyon Lake and Annexation to the City of Menifee (Goetz Road/Railroad Canyon Road).

Mr. Spiliotis presented the proposal as outlined in the staff report and stated that staff was recommending approval with standard terms and conditions.

Chair Tomanelli 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 2011-13-3-Sphere of Influence Amendment (removal) to the City of Canyon Lake and Reorganization to Include Detachment from the City of Canyon Lake and Annexation to the City of Menifee (Goetz Road/Railroad Canyon Road) as recommended by staff.

6/0 (Tavaglione absent)

- e. LAFCO 2011-18-4-Request for Reconsideration of Resolution 17-11 Approving LAFCO 2011-03-4-Sphere of Influence Amendment (addition) to the City of Cathedral City and the Cathedral City Community Services District (subsidiary).

Mr. Spiliotis presented the request for reconsideration as outlined in the staff report.

Chair Tomanelli opened the public hearing.

The following persons spoke in favor of the request:

Rob Bernheimer, representing the H.N. and Frances C. Berger Foundation, 45025 Manitou Dr. Suite 3, Indian Wells, CA 92210. Mr. Bernheimer showed a PowerPoint presentation. He gave a brief history about the Berger Foundation. Mr. Bernheimer stated that the City of Cathedral City did not reach out to the Berger Foundation to discuss this proposal. He said that they saw themselves as part of the City of Palm Desert and also stated that the area was its own community of interest that needed to be kept together. Mr. Bernheimer asked the Commission to approve the reconsideration request.

Douglass Vance, Vice President, H.N. and Frances C. Berger Foundation, 75-200 Classic Club Drive, Palm Desert, CA 92211. Mr. Vance continued with the PowerPoint presentation. He said that the Berger Foundation has acquired and invested in property located in Palm Desert. Mr. Vance spoke in favor of approving the reconsideration request.

Christopher McGuire, H.N. and Frances C. Berger Foundation, 75-200 Classic Club Drive, Palm Desert, CA 92211. Mr. McGuire spoke about the donations made and the education corridor located in Palm Desert. Mr. McGuire spoke in favor of approving the reconsideration request.

Rob Bernheimer, representing the H.N. and Frances C. Berger Foundation, 45025 Manitou Dr., Suite 3, Indian Wells, CA 92210. Mr. Bernheimer stated that people outside the area recognized the Berger Foundation as being part of Palm Desert. He spoke about the area being its own commercial district.

The following persons spoke in opposition to the request:

Greg Pettis, Councilman, City of Cathedral City, 68700 Av. Lalo Guerrero, Cathedral City, CA 92234. Mr. Pettis said that the Cities of Palm Desert and Cathedral City did have communication between them after the SOI amendment was approved. He said that they desired to keep the Thousand Palms community as a whole and the boundary reflected that. Mr. Pettis asked the Commission to deny the reconsideration request.

Patricia Saleh, Thousand Palms Preservation Action Group, 35200 Bandana Circle, Thousand Palms, CA 92276. Ms. Saleh spoke about the buildings that were built by the Berger Foundation in Thousand Palms. She spoke about Cathedral City having to annex Thousand Palms and how it would create an island. She said the Berger Foundation knew about the SOI amendment and should have spoken against it before. Ms. Saleh asked the Commission to deny the reconsideration request.

Roy Nokes, 30-600 Calle Helene, Thousand Palms, CA 92276. Mr. Nokes said he has been a resident of Thousand Palms for 41 years. He spoke in opposition of the reconsideration request. He spoke about Thousand Palms being split up by surrounding cities. Mr. Nokes said the Berger Foundation should not be able to remove a part of the community.

Bill Swedeen, Thousand Palms Chamber of Commerce and TriPalms HOA, 33496 Carlsbad, Thousand Palms, CA 92276. Mr. Swedeen spoke in opposition of the reconsideration request. He said that removing part of the Thousand Palms area would create an island and is not in the best interest of the residents.

Paula Williams, Ivy Ranch Community Council, 74673 Mexicali Rose, Thousand Palms, CA 92276. Ms. Williams spoke in opposition to the reconsideration request. Ms. Williams said that the Berger Foundation property is considered to be in Thousand Palms. She said she does not want the sphere to be broken up.

Michael E. Ascani, 37-474 Via Ventana, Thousand Palms, CA, 92276. Mr. Ascani spoke in opposition to the reconsideration request. He spoke about how previously cities took parts of Thousand Palms into their sphere of influences. Mr. Ascani asked the Commission to listen to the people of Thousand Palms.

Gail Heveron, Office Manager, Thousand Palms Chamber of Commerce, 72715 La Camada Way, Thousand Palms, CA 92276. Ms. Heveron asked the Commission to keep Thousand Palms whole and to deny the request for reconsideration.

Don Donnelly, 33860 Bill Rd., Thousand Palms, CA 92276. Mr. Donnelly asked to keep Thousand Palms as a whole and asked the Commission to deny the request for reconsideration.

NEUTRAL:

John Stevens, 73673 Broadmoor Dr., Thousand Palms, CA 92276. Mr. Stevens thanked the Berger Foundation for their donations. He said he will ask that everyone come on board and move into the future. Mr. Stevens asked that notification be sent to the people prior to the proposal being brought to LAFCO.

REBUTTAL:

Rob Bernheimer, representing the H.N. and Frances C. Berger Foundation, 45025 Manitou Dr., Suite 3, Indian Wells, CA 92210. Mr. Bernheimer stated that the Berger Foundation property touches the Palm Desert sphere boundary. He said that there is no natural barrier between the two properties. Mr. Bernheimer said it is the more logical way to split up the community by removing the Berger property from the sphere amendment.

John Stevens, 73673 Broadmoor Dr., Thousand Palms, CA 92276. Mr. Stevens spoke about the sending correspondence to many people. He said the protest started many years ago.

Chair Tomanelli closed the public hearing.

Commissioner Buster asked Counsel to consider the request for reconsideration, if one needed to have new facts or facts that could not have been known before and if they can bring the proposal back again.

Legal Counsel Walls confirmed and said that once you have those facts, the Commission can deny or approve the reconsideration and it can come back again before the Commission as a new proposal.

Mr. Spiliotis said that any party can make a request for a SOI amendment as long as the area is not already annexed.

Commissioner Montanez said that he did not believe that new information had been brought to the Commission.

Commissioner Williams asked about proper noticing. Mr. Spiliotis said that LAFCO gave legal notice as a 1/8 page display ad, 21 days prior to the public hearing.

Commissioner Henderson said that the Berger Foundation had multiple opportunities to move into the sphere of influence of Palm Desert and that no evidence had been given to consider reconsideration.

Moved (Henderson) seconded (Montanez) to deny LAFCO 2011-18-4-Request for Reconsideration of Resolution 17-11 Approving LAFCO 2011-03-4-Sphere of Influence Amendment (addition) to the City of Cathedral City and the Cathedral City Community Services District (subsidiary).
5/1/0 (Williams opposed, Tavaglione absent)

5. PUBLIC COMMENTS.

Lori Moss, City Manager, City of Canyon Lake. Ms. Moss thanked the Commission for their motion regarding LAFCO 2011-13-3.

Roy Nokes, 30-600 Calle Helene, Thousand Palms, CA 92276. Mr. Nokes said that he did not consider the Berger Foundation to be outsiders when he was speaking earlier since they are property owners in Thousand Palms.

John Stevens, 73673 Broadmoor Dr., Thousand Palms, CA 92276. Mr. Stevens thanked LAFCO staff. He also mentioned a community information meeting on January 10, 2011.

6. RECEIVE AND FILE:

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

- i. LAFCO 2011-13-3-Sphere of Influence Amendment (removal) from the City of Canyon Lake and Reorganization to Include Detachment from the City of Canyon Lake and Annexation to the City of Menifee (Goetz Road/Railroad Canyon Road).
- ii. LAFCO 2011-14-2-Municipal Service Review - City of Eastvale.
- iii. LAFCO 2011-15-2-Establish a Sphere of Influence for the City of Eastvale.
- iv. LAFCO 2011-16-2-Municipal Service Review - City of Jurupa Valley.
- v. LAFCO 2011-17-2-Establish a Sphere of Influence for the City of Jurupa Valley.
- vi. LAFCO 2011-18-4-Request for Reconsideration of LAFCO Resolution No. 17-11 Approving LAFCO 2011-03-4-Sphere of Influence Amendment (addition) to the City of Cathedral City and the Cathedral City Community Services District (subsidiary).

b. LAFCO Monthly Expenditure Review.

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

7. ADOPTION OF ANNUAL INVESTMENT POLICY.

Mr. Spiliotis presented this item. He said LAFCO is required as an independent entity to adopt an investment policy. Mr. Spiliotis said that Commission funds are deposited in the County Treasury and each year LAFCO adopts the Riverside County's Investment Policy as their own and the changes are reflected in the staff report.

Moved (Williams) seconded (Buster) to adopt the Annual Investment Policy as recommended by staff.
6/0 (Tavaglione absent)

8. SELECTION OF VENDOR FOR NEW COPIER LEASE.

Mr. Spiliotis presented this item. He said that a Request for Proposals was issued and based on the proposals received the recommendation is to go with Advanced Copy Systems, Inc. and the Sharp copier they proposed.

Moved (Henderson) seconded (Montanez) to select Advanced Copy Systems, Inc. as the vendor for photocopying services as recommended by staff.
6/0 (Tavaglione absent)

9. CHANGES TO COUNTY MANAGEMENT RESOLUTION.

Mr. Spiliotis presented this item. He said that there were changes made to the County Management Resolution which included that the employees will pay the employee share of the PERS contribution. Mr. Spiliotis said that as the budget is reviewed, possible reduction in furloughs will be explored.

10. LOCAL AGENCY SHARE STATUS REPORT.

Mr. Spiliotis reported that all agencies have paid their share.

11. REQUEST FOR WAIVER OF PREZONING REQUIREMENT FOR ANNEXATION TO THE CITY OF INDIO (BODELL HEIGHTS II).

Mr. Spiliotis presented this item. He said that the Commission previously approved a portion of Bodell Heights with a condition upon submittal of an application for the remaining portion. Mr. Spiliotis said that State law and Commission policy requires the prezoning requirement however, if the City can provide evidence that the existing development is built out it can then be waived.

Carla Cravens, P.O. Box 2714, Indio, CA 92202. Ms. Cravens spoke about Boe Dell Heights and the people that lived there. She said that with the annexation there would be increases in utilities and that would be a hardship for many. She also spoke about water issues and she had concerns of losing the right to vote if annexed.

Mr. Spiliotis said that the proposal would be processed as an island annexation and there would be no protest proceedings. He recommended that she express her concerns to the City.

Commissioner Buster asked if the island provisions were mandatory.

Mr. Spiliotis said that the Commission will have no options. He said that there will be a public hearing but once the City initiates the proposal, the Commission must approve it and waive protest proceedings.

Moved (Henderson) seconded (Wright) to approve the Request for Waiver of Prezoning Requirement for Annexation to the City of Indio (Bodell Heights II) as recommended by staff.
6/0 (Tavaglione absent)

12. REQUEST FOR WAIVER OF FISCAL IMPACT REPORT REQUIREMENT FOR ANNEXATION TO THE CITY OF RANCHO MIRAGE.

Mr. Spiliotis presented this item. He said that the City was asking for a waiver of the Commission's FIR requirement. He said that the City had done an analysis to show that the County would have increased net revenues if the area were to annex, develop and build out under the City's land use designations rather than the County's. Mr. Spiliotis said the FIR only takes into consideration property tax revenue and does not take into consideration the cost savings to the County for not having to provide municipal services.

Randy Bynder, Community Development Director, City of Rancho Mirage. Mr. Bynder said that the City has had communication with Supervisor Benoit's office to discuss the annexation and from his staff, Michael Gialdini, was there in support of the request.

Moved (Henderson) seconded (Williams) to approve the Request for Waiver of Fiscal Impact Report Requirement for Annexation to the City of Rancho Mirage.

6/0 (Tavaglione absent)

The Commission recessed for Executive Session at 11:25 a.m.

13. EXECUTIVE SESSION.

CONFERENCE WITH LEGAL COUNSEL:

With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.9:

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION.

Subdivision (a) of Section 54956.9:

- a. **LUIS SALAZAR, OLGA SALAZAR; JOSE TENA; and GUADALUPE NAVA vs. LAFCO, City of Coachella et al.**
DUANE YOUNG; COCOPAH NURSERIES, COUNTY OF RIVERSIDE, CALIFORNIA; and DOES 6 through 10, Real Parties in Interest
Riverside County Superior Court Number: INC 1108015

The Commission reconvened at 11:45 p.m. There was no reportable action.

16. ADJOURNMENT.

Moved (Williams) seconded (Henderson) to adjourn the meeting at 11:46 a.m. to the next meeting on January 26, 2012.

6/0 (Tavaglione absent)

Respectfully submitted,

George J. Spiliotis
Executive Officer