

2.
3/24/2016

MINUTES
February 25, 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
 Elena Medina, Executive Assistant II
 Tiffany North, Legal Counsel

1.1 CALL TO ORDER AND SALUTE TO THE FLAG.

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

1.2 ROLL CALL.

2. APPROVAL OF MINUTES OF DECEMBER 10, 2015.

Moved (Jeffries) seconded (Montanez) to approve the minutes of the December 10, 2015 LAFCO meeting.

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

 NOES: None

 ABSENT: Washington

 ABSTAINED: Williams

3. CONSENT (NON-HEARING ITEMS).

- a. LAFCO 2015-10-3-Annexation 123 to County Service Area 103 (TTM 36437) and pursuant to the California Environmental Quality Act, the Commission, as a responsible agency, will review and consider the Mitigated Negative Declaration prepared by the County of Riverside, as lead agency, and adoption of a resolution making determinations on the proposal.

Moved (Williams) seconded (Tomanelli) to approve LAFCO 2015-10-3-Annexation 123 to County Service Area 103 (TR 36437) as recommended 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 Annexation to Northwest Mosquito and Vector Control District and 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.

The public hearing was continued from the last meeting.

Moved (Williams) seconded (Hanson) to continue LAFCO 2015-07-1-Reorganization to Include Annexation 83 (Nichols Road) to the City of Lake Elsinore and Annexation to Northwest Mosquito and Vector Control District and Detachment from the Riverside County Waste Resources Management District to March 24, 2016 as recommended by staff.

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 2015-12-3-Reorganization to Include Annexation 96 to County Service Area 84 and Detachment from County Service Area 146 (TR 31632).

7. RECEIVE AND FILE:

- a. LAFCO Monthly Expenditure Review.

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

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

8. MID-YEAR BUDGET STATUS REPORT FOR FISCAL YEAR 2015-16.

Mr. Spiliotis stated that staff anticipated ending the year with a fund balance of approximately \$40,000. He said other than that there was nothing else to report.

Moved (Williams) seconded (Tomanelli) to accept and file the Mid-Year Budget Status Report for Fiscal Year 2015-16.

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

NOES: None

ABSENT: Washington

ABSTAINED: None

9. INDEPENDENT AUDITOR'S REPORT FOR FISCAL YEAR 2014-15.

Mr. Spiliotis stated that the basic finding in the report was that the financial statements "present fairly all material respects, the financial position of the Commission". He said that there were no changes in internal controls recommended or any other changes in practices of the Commission's staff. He reported on the significant changes as a result of implementation of the new Government Accounting Standards Board (GASB) requirements relating to pension obligations. Specifically, the overall net position decreased significantly as compared to what was reported in the prior fiscal year's audit. He said that the recommendation was to review the audit report and all the accompanying supplemental information including the Management Discussion and Analysis. He said that if there were any questions and staff could not answer perhaps staff can bring it back the following month. He said that the other option was for the Commission to receive and file the Independent Report for Fiscal Year Ending 2015.

Moved (Williams) seconded (Tomanelli) to receive and file the Independent Auditor's Report for Fiscal Year Ending 2014-15 as recommended by staff.

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

NOES: None

ABSENT: Washington.

ABSTAINED: None

10. REPORT ON RECENTLY EXECUTED AGREEMENTS FOR SERVICES:

a. Website Development

b. Document Archiving Services

Mr. Spiliotis stated that Commission's policy regarding purchases required staff to report back to the Commission on any agreements for purchases or services entered into under the authority of the Chair or the Executive Officer in excess of \$500. He said that the Commission authorized the Chair to execute an agreement for website services within the normal Chair's authority of \$10,000. He said that the negotiated price for website development was under \$10,000; therefore, the chair exercised normal authority and executed the contract as expected.

Mr. Spiliotis stated that an RFP had been issued for services regarding document archiving. He said that a vendor had been selected and was expected to have the agreement executed shortly. He said that the agreement will be in an amount not to exceed \$5,000. He said that there was no action required at this time.

11. COMPENSATED ABSENCES LIABILITY STATUS AND LEAVE BUYDOWN POLICY.

Mr. Spiliotis reported on the progress made in reducing leave balances and challenges for continued reductions. He recommended a change in the Commission's current policy. Mr. Spiliotis recommended suspending the restrictions in the leave buy-down policy and reverting to the policies and procedures contained in the County Management Resolution which allow for employees to cash out 80 hours with no restrictions and an additional 80 hours with the Executive Officer's approval annually.

Moved (Williams) seconded (Tomanelli) to suspend the restrictions in the Leave Buy down Policy and revert to the policies and procedures of the County Management Resolution as recommended by staff.

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

NOES: None

ABSENT: Washington.

ABSTAINED: None

12. REPORT ON CONDUCTING AUTHORITY PROCEEDINGS.

- a. LAFCO 2014-16-2-Establishment of a Sphere of Influence for the City of Jurupa Valley.
- b. LAFCO 2015-01-3-Reorganization to Include Annexation 14-001 to the City of Hemet and Detachment from County Service Area 152 and the Riverside County Waste Resources Management District.
- c. LAFCO 2015-09-4-Annexation 48 to County Service Area 121.

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.

13. EXECUTIVE OFFICER REPORTS.

Mr. Spiliotis shared with the Commission that the date for the Annual CALAFCO Conference had been set for October 26-28, 2016. Mr. Spiliotis stated that there were a couple of legislative proposals, AB 2414 and SB 1318 that were just recently introduced but there had not been enough time to add them to the agenda at this time. He said that he will be bringing those legislative proposals for further review and potential positions at the hearing, next month.

14. COMMISSIONER COMMENTS/FUTURE AGENDA ITEMS.

Commissioner Wright congratulated Mr. Hanson on his appointment to the Southern Region of CALAFCO representing Riverside LAFCO. Mr. Spiliotis

stated that Mr. Hanson and himself had attended the annual meeting which was on January 25, 2016.

15. ADJOURNMENT.

The meeting was adjourned at 9:58 a.m. to the next meeting on March 24, 2016.

Respectfully submitted,

George J. Spiliotis
Executive Officer