

**2.**  
**9/25/2014**

**MINUTES**  
**JULY 24, 2014**

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

Present Staff: George J. Spiliotis, Executive Officer  
Crystal Craig, Local Government Analyst  
Adriana Romo, Local Government Analyst  
Elena Medina, Executive Assistant

**1.1 CALL TO ORDER AND SALUTE TO THE FLAG.**

The meeting was called to order by Chair Williams at 9:30 a.m.

**1.2 ROLL CALL.**

**2. APPROVAL OF MINUTES OF MAY 22, 2014.**

Moved (Jeffries) seconded (Wright) to approve the Minutes of the May 22, 2014 meeting.

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

NOES: None

ABSENT: None

ABSTAINED: None

**3. CONSENT (NON-HEARING ITEMS).**

**a. LAFCO 2014-07-3-Annexation 121 to County Service Area 103 (TTM 33307).**

Moved (Stone) seconded (Tomanelli) to approve LAFCO 2014-07-3-Annexation 121 to County Service Area 103 (TTM 33307).

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

NOES: None

ABSENT: None

**PUBLIC HEARINGS:****NEW:**

- a. LAFCO 2014-02-5-Municipal Service Review - City of Menifee. **(Staff recommends continuance to September 25, 2014).**
- b. LAFCO 2014-04-3&5-Municipal Service Review - Valley-Wide Recreation and Park District. **(Staff recommends continuance to September 25, 2014).**

Ms. Craig stated that staff was requesting a continuance of both items to the September 25<sup>th</sup> Meeting to allow for additional time to complete the MSRs.

Moved (Stone) seconded (Tomanelli) to continue LAFCO 2014-02-5-Municipal Service Review - City of Menifee to September 25, 2014.

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

NOES: None.

ABSENT: None.

ABSTAINED: None.

Moved (Stone) seconded (Tomanelli) to continue LAFCO 2014-04-3&5-Municipal Service Review - Valley-Wide Recreation and Park District to September 25, 2014.

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

NOES: None.

ABSENT: None.

ABSTAINED: None.

**5. PUBLIC COMMENTS.**

There were no public comments.

**6. RECEIVE AND FILE:**

- a. Information Items: Proposals Received (Government Code Section 56857, 56751):
  - i. 2014-08-4-Reorganization to Include Concurrent Annexations to the City of Cathedral City (North City Extended Specific Plan) and the Cathedral City Community Services District and Concurrent Detachment from the Riverside County Waste Resources Management District.
- b. LAFCO Monthly Expenditure Review.

Moved (Montanez) seconded (Wright) to receive and file items 6.a. Information Items and 6.b. Monthly Expenditure Review as recommended by staff.

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

NOES: None.

ABSENT: None.

ABSTAINED: None.

**7. REPORT ON RESULTS OF SPECIAL DISTRICT SELECTION COMMITTEE ELECTION.  
(ORAL REPORT)**

Mr. Spiliotis stated that unfortunately, it was not feasible to hold a physical meeting. He said that the statute allowed for the proceedings to be conducted by mail and the results were in the report sent to the Commission. Mr. Spiliotis stated that there were three candidates for the election. Mr. Spiliotis stated that Mr. Williams had received 26 votes, Mr. Ron Anderson (Jurupa Area Recreation and Park District) had received 9 votes and Mr. Vinay Rao (Valley Health System) had received 0 votes. Mr. Spiliotis stated that Mr. Williams was reelected as the Special District representative to the LAFCO Commission from the Western Portion of Riverside County for another four-year term.

**8. NOMINATIONS FOR CALAFCO BOARD OF DIRECTORS.**

Mr. Spiliotis stated that currently, Commissioner Montanez and Commissioner Tomanelli were on the CALAFCO Board representing the Southern Region. Mr. Spiliotis stated that there were four representatives from each of the four regions and the practice for the Southern Region had been to rotate Commissioners to encourage participation from all the LAFCOs. He said that the exception to that was that if a Commissioner was placed in the officer rotation on the Board that Commissioner would be allowed to continue. He said that Mr. Tomanelli was currently the Secretary on the CALAFCO Board and would be Vice-Chair in the coming year. Mr. Spiliotis stated that the recommendation was to formally nominate Commissioner Tomanelli for another two-year term on the CALAFCO Board.

Moved (Stone) seconded (Wright) to nominate Commissioner Stephen Tomanelli as a candidate for Public Member of the CALAFCO Board of Directors from the Southern Region and direct the Executive Officer to file the necessary papers with CALAFCO by the September 15<sup>th</sup> deadline.

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

NOES: None.

ABSENT: None.

ABSTAINED: None.

**9. DESIGNATION OF VOTING DELEGATE FOR CALAFCO ANNUAL BUSINESS MEETING AND REGIONAL CAUCUS.**

The Commission designated Commissioner Tomanelli as the voting delegate and Commissioner Montanez as the alternate.

Moved (Stone) seconded (Wright) to designate Commissioner Tomanelli as the voting delegate and Commissioner Montanez as the alternate for the CALAFCO Annual Business Meeting and Regional Caucus.

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

NOES: None.

ABSENT: None.

ABSTAINED: None.

**10. LEGISLATIVE REPORT: UPDATE AND POSITIONS.**

Mr. Spiliotis stated that SB 1130 was signed by the Governor. He said that this bill addressed the liability to Elsinore Valley Municipal Water District and Eastern Municipal Water District regarding service to the residents of the County Water Company of Riverside. He said that the bill was signed and service should proceed shortly.

SB 69 (Roth) and AB 1521 (Fox) - Property Tax in lieu of VLF: Mr. Spiliotis stated that SB 69 was awaiting a hearing at the Appropriations Committee. He said that the companion measure by Assembly Member Fox, had been scheduled for the Senate Appropriations Committee. He said that SB 69 had been amended and it now only applied to the cities that had been incorporated up to date. He said that the Fox Bill (AB 1521) regarding the annexations as it was currently written, will continue to apply to prospective annexations. He commented that everyone was still unsure what will happen once these bills reached the Governor's Desk.

AB 2762 Assembly Local Government Omnibus Bill: Mr. Spiliotis stated that this bill was signed by the Governor earlier this month which primarily addressed LAFCO Law.

He said that the most significant bills that were active right now were as follows: He said that SB 614 (Wolk) was a follow up to SB 244 addressing disadvantaged unincorporated communities. He said that this bill was sponsored by the League of Cities and had the support of the CSDA and CSAC as well. He said that the bill was attempting to provide some incentive for the cities to annex disadvantaged unincorporated communities. He said that SB 614 would provide tax increment financing for infrastructure and servicing. He said that the bill will also allow for the creation of new special districts to provide those services. He said that this legislation was very well received and had the support of the major stakeholders.

AB 1739 (Dickinson) and SB 1168 (Pavley). Mr. Spiliotis stated that these bills addressed groundwater management which was a major issue in Sacramento. He said that primarily the concerns had been about process. He said that if new districts were created what would LAFCO's role be in that.

Mr. Spiliotis stated that no positions were recommended at this time.

**11. MEMORANDUM OF UNDERSTANDING WITH ORANGE COUNTY LAFCO REGARDING TRANSFER OF JURISDICTION FOR SPHERES OF INFLUENCE.**

Mr. Spiliotis stated that a MOU had been previously done with San Bernardino LAFCO to share responsibility. Mr. Spiliotis also stated that under existing law, if a district proposal crossed into another county, the principal LAFCO would process both the sphere application and the annexation. He said that LAFCO statutes allowed for agreements between LAFCOs to process proposals. Under the proposed agreement, LAFCO of the affected County would process the SOI and the principal LAFCO would process the annexation. He said that San Bernardino LAFCO had similar agreements with Los Angeles and Orange Counties. Mr. Spiliotis asked the Commission to authorize the Executive Officer to execute a similar agreement with Orange County LAFCO, once it's approved by Legal Counsel. He said that the agreement was similar to the previously executed MOU with San Bernardino LAFCO.

Moved (Wright) seconded (Montanez) to authorize the Executive Officer to execute the Memorandum of Understanding with Orange County LAFCO Regarding the Transfer of Jurisdiction for Spheres of Influence.

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

**13. REPORT ON PROTEST PROCEEDINGS (ORAL REPORT).**

There were no protest proceedings held.

**14. MISCELLANEOUS REPORTS.**

There were no miscellaneous reports.

**15. COMMISSIONER COMMENTS/FUTURE AGENDA ITEMS.**

Commissioner Jeffries asked Mr. Spiliotis to follow the developments of the City of Canyon Lake regarding the special tax measure on the ballot because the outcome could have serious ramifications for that City and the City of Menifee.

**16. ADJOURNMENT.**

The meeting was adjourned at 9:50 a.m. to September 25, 2014.

Respectfully submitted,

George J. Spiliotis  
Executive Officer