

DRAFT

**DRAFT - ACTION MINUTES OF THE  
LOCAL AGENCY FORMATION COMMISSION  
HEARING OF MAY 20, 2015**

**REGULAR MEETING**

**9:00 A.M.**

**MAY 20, 2015**

**PRESENT:**

<b>COMMISSIONERS:</b>	<b>Jim Bagley</b>	<b>Larry McCallon</b>
	<b>Kimberly Cox, Vice-Chair</b>	<b>James Ramos</b>
	<b>James Curatalo, Chair</b>	<b>Sunil Sethi, Alternate</b>
	<b>Steve Farrell, Alternate</b>	<b>Acquanetta Warren, Alternate</b>
	<b>Robert Lovingood</b>	<b>Diane Williams</b>

**STAFF:**

- Kathleen Rollings-McDonald, Executive Officer**
- Clark Alsop, LAFCO Legal Counsel**
- Holly Whateley, Special Legal Counsel**
- Samuel Martinez, Assistant Executive Officer**
- Michael Tuerpe, Project Manager**
- Joe Serrano, LAFCO Analyst**

**ABSENT:**

**COMMISSIONER:**     **Janice Rutherford, Alternate**

**CONVENE REGULAR SESSION OF THE LOCAL AGENCY FORMATION COMMISSION –  
CALL TO ORDER – 9:06 A.M. – SAN BERNARDINO CITY COUNCIL CHAMBERS**

Chairman Curatalo calls the regular session of the Local Agency Formation Commission to order and leads the flag salute.

Chairman Curatalo requests those present who are involved with any of the changes of organization to be considered today and have made a contribution of more than \$250 within the past twelve months to any member of the Commission to come forward and state for the record their name, the member to whom the contribution has been made, and the matter of consideration with which they are involved. There was none.

**ITEM 1.     **SWEAR IN REGULAR COUNTY MEMBER****

Joe Serrano, LAFCO Analyst, administers the Oath of Office to Robert Lovingood, Regular County Member, whose term of office expires in May 2019.

**ITEM 2.     **ELECTION OF CHAIR AND VICE-CHAIR FOR COMMISSION****

Executive Officer Kathleen Rollings-McDonald presents the staff report for the selection of the Chair and Vice Chair, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here.

Ms. Rollings-McDonald opens the nomination period to select the Chair. Commissioner McCallon nominates Commissioner Bagley for Chair; however, after clarification that Vice Chair Cox is eligible for the Chair position Commissioner McCallon withdraws his

nomination. Commissioner Williams nominates Commissioner Cox as Chair and Commissioner Bagley as Vice Chair. Commissioner Lovingood seconds the nomination.

Vice Chair Cox recommends having Commissioner Curatalo as Chair for an additional term in order for him to continue his participation in CALAFCO. Commissioner Williams supports the request but inquires whether the Commission needs to override the existing policy related to the limitation of two consecutive terms for Chair and Vice Chair. Executive Officer Kathleen Rollings-McDonald reiterates that the Commission can override Rule of Order #2 regarding the limitation of terms.

Commissioner McCallon does not oppose the recommendation by Vice Chair Cox but notes that if the Commission continues to override Rule of Order #2 then the policy should be revised. Executive Officer Kathleen Rollings-McDonald states that the annual review of the Policies & Procedures is scheduled for the August 2015 hearing at which time the Commission may consider changing the current Rule of Order. Commissioner Williams withdraws her motion and Commissioner Lovingood concurs with the withdrawal.

Commissioner Williams makes the motion to continue Chairman Curatalo and Vice Chair Cox for an additional term and discuss the consideration of revising the current policy on term limits at the August hearing. Commissioner Ramos seconds the motion.

There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos, Williams. Noes: None. Abstain: None. Absent: None.

**CONSENT ITEMS – APPROVE STAFF RECOMMENDATION:**

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time without discussion, unless a request has been received prior to the hearing to discuss the matter.

3. Approval of Minutes for Regular Meeting of April 15, 2015
4. Approval of Executive Officer's Expense Report
5. Ratify Payments as Reconciled for Month of April 2015 and Note Cash Receipts
6. Note Receipt of Proposal Initiated by Property Owner Petition Pursuant to Government Code Section 56857 -- LAFCO 3191- Reorganization to Include Annexation to the City of Rialto and West Valley Water District and Detachment From San Bernardino County Fire Protection District, its Valley Service Zone and County Service Area 70 (Boral Roofing LLC)

LAFCO considered the items listed under its consent calendar, which includes a Visa Justification, the Executive Officer expense report, the staff report outlining the staff recommendations for the reconciled payments, and the notice of receipt of LAFCO 3191. Copies of each report are on file in the LAFCO office and are made part of the record by their reference here. Executive Officer Kathleen Rollings-McDonald indicates there are no requests to defer any consent items.

Commissioner Cox moves approval of the consent calendar, second by Commissioner McCallon. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos, Williams. Noes: None. Abstain: None. Absent: None.

**PUBLIC HEARING ITEMS:**

**ITEM 7. CONSENT ITEMS DEFERRED FOR DISCUSSION**

No items deferred for discussion.

**ITEM 8. CONSIDERATION OF: A) REVIEW OF MITIGATED NEGATIVE DECLARATION PREPARED BY THE CITY OF CHINO HILLS FOR GENERAL PLAN AMENDMENT 14GPA01, ZONE CHANGE 14ZC01, TENTATIVE PARCEL MAP 19539, SITE PLAN REVIEW 14SPR02, MAJOR VARIANCE 14MJV02, MINOR VARIANCE 14MNV06, AND DEVELOPMENT AGREEMENT FOR THE FAIRFIELD RANCH COMMONS PROJECT, AS CEQA RESPONSIBLE AGENCY FOR LAFCO 3183 AND LAFCO 3184; B) LAFCO 3183 – SPHERE OF INFLUENCE AMENDMENTS FOR THE CITY OF CHINO (REDUCTIONS) AND CITY OF CHINO HILLS (EXPANSIONS); AND, C) LAFCO 3184 - REORGANIZATION TO INCLUDE DETACHMENTS FROM THE CITY OF CHINO AND ANNEXATIONS TO THE CITY OF CHINO HILLS**

Chairman Curatalo opens the public hearing.

Assistant Executive Officer Samuel Martinez presents the staff report for LAFCOs 3183 and 3184, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. The item has been advertised in the *Daily Bulletin* newspaper of general circulation as required by law.

Assistant Executive Officer Samuel Martinez states that the two areas involved in the proposals are between the Cities of Chino and Chino Hills. Mr. Martinez explains how the channelization of Chino Creek created irregular boundaries and split parcels between the two cities. He notes that if approved, the proposals will create a more logical boundary between the cities and allow for the development of the Fairfield Ranch Commons Project.

Commissioner McCallon inquires whether there are other irregular boundary segments between the Cities of Chino and Chino Hills. Executive Officer Kathleen Rollings-McDonald notes that the City of Chino Hills has addressed similar issues with LAFCO action following its incorporation in 1991 along the city limits of Chino and Chino Hills but others remain.

Commissioner Farrell recommends utilizing the centerline of the Flood Control Channel. Assistant Executive Officer indicates that the City of Chino Hills, as the parcel owner, only included the reorganization of the remaining parcels and did not include portions of the creek.

Chairman Curatalo calls for those wishing to speak, noting that there are no requests for public comments.

Commissioner Cox moves approval of staff recommendations, second by Commissioner Lovingood. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos, Williams. Noes:

None. Abstain: None. Absent: None.

**ITEM 9. CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 3174 AND (2) LAFCO 3174 – SERVICE REVIEW FOR WATER CONSERVATION WITHIN THE VALLEY REGION (CONTINUED FROM APRIL 15, 2015 HEARING)**

Chairman Curatalo opens the public hearing.

Executive Officer Kathleen Rollings-McDonald presents the staff report for LAFCO 3174, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. Notice of the Commission's consideration was published in *The Sun* and *Daily Bulletin* newspapers of general circulation.

Ms. Rollings-McDonald explains how state law requires LAFCOs to conduct a service review in which San Bernardino LAFCO completed its initial round in 2013. Ms. Rollings-McDonald indicates that LAFCO is now conducting the second cycle of service reviews that will begin with the evaluation of water conservation within the Valley Region. She defines water conservation as practices, techniques, and technologies that improve the efficiency of water use.

Executive Officer Kathleen Rollings-McDonald notes that LAFCO contacted the five primary service providers (Chino Basin Water Conservation District, San Bernardino Valley Water Conservation District, Inland Empire Utilities Agency, San Bernardino Valley Municipal Water District, and the San Bernardino County Flood Control District) to provide information in LAFCO's analysis of service provisions. Project Manager Michael Tuerpe provides an overview for five of the six determinations when conducting a service review as required by state law.

Executive Officer Kathleen Rollings-McDonald concludes the review of the six determinations by discussing the last determination regarding the accountability for community service needs including governmental structure and operational efficiencies. Ms. Rollings-McDonald notes that LAFCO 3174 is statutorily exempt from the California Environmental Quality Act based on the findings that the service review does not pose any adverse changes to the physical environment. She also discusses the need for the continuing monitoring of San Bernardino Valley Municipal Water District and the Inland Empire Utilities Agency related to reporting issues on appropriations.

Commissioner Ramos inquires on staff recommendations #4 and #5. Kathleen Rollings-McDonald clarifies that the recommendations direct staff to evaluate all the alternatives for the Chino Basin Water Conservation District and the San Bernardino Valley Water Conservation District in the following sphere of influence amendment process. Additionally, Ms. Rollings-McDonald also notes that a sphere of influence boundary is a planning tool for agencies.

Commissioners McCallon and Ramos leave the dais at 11:09am.

Commissioner Cox requests clarification on the appropriation limit discrepancy with San Bernardino Valley Municipal Water District and the Inland Empire Utilities Agency. Kathleen Rollings-McDonald confirms that the two districts adopt resolutions regarding the appropriation limit; however, state law also requires agencies to review the appropriation limits as part of an annual financial audit, which is excluded from their current practices.

Commissioners McCallon and Ramos return to the dais at 11:11am and 11:13am respectively.

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Commissioner McCallon inquires whether the five primary service providers discussed in the service review have any feedback on staff's recommendations. Kathleen Rollings-McDonald notes that representatives from each agency has requested to speak once the item is open for public comments.

Commissioner Bagley notes LAFCO's role in evaluating the validity of agencies and explains that LAFCO is responsible for reviewing governance options to improve delivery of services including dissolution and consolidations of districts. Kathleen Rollings-McDonald states that dissolution is not an option for consideration based upon statutory restrictions in Water Conservation District Law; however, all other options including consolidation were discussed in the service review.

Chairman Curatalo calls for comments.

Richard Corneille, San Bernardino Valley Water Conservation District Board President, appreciates staff for including the revisions submitted by the District within the final version of the service review. Mr. Corneille supports the staff conclusion discussed in the service review. He requests the Commission expand the District's sphere of influence from its current zero sphere designation as indicated in the District's sphere change application.

Kati Parker, Board President and Liane Veenema, Community Outreach and Education Coordinator for Chino Basin Water Conservation District discuss the benefits of water conservation activities provided by the District. Ms. Park indicates that the District is not interested in a zero sphere of influence or consolidation with either San Bernardino Valley Water Conservation District or Inland Empire Utilities Agency. She also notes that the District does support expanding its sphere to include the Chino Basin and has received letters of support which copies were provided to LAFCO.

Al Yoakum, Chino Basin Water Conservation District Board Director, discusses the water conservation contest completed annually. Mr. Yoakum notes that over 2,000 entries from students were submitted to the District. He states that the District is the only agency in the Chino Basin that has the responsibility to recharge groundwater and provide water conservation. Al Yoakum requests the Commission to supports the District's long-term efforts to promote water conservation.

Tom Ohlsen, Carlsbad resident, notes the benefits of the Chino Basin Water Conservation District. Mr. Ohlsen discusses his recent transition from a traditional grass lawn to a drought-resistant landscape.

Carlos Rodriguez, Building Industry Association (BIA) Baldy View Chapter Executive Officer, inquires on the financial contribution statement by Chairman Curatalo at the beginning of the hearing. Kathleen Rollings-McDonald states that contributions regarding changes of organizations should be noted for the record. Ms. Rollings-McDonald clarifies that the service review is not a change of organization. Mr. Rodriguez states that San Bernardino County residents must be educated on the importance in water conservation. He supports the activities and innovations provided by the Chino Basin Water Conservation District.

Daniel Cozad, San Bernardino Valley Water Conservation District General Manager, explains the District's fund balance and upcoming capital projects. Mr. Cozad recommends the Commission consider the District's sphere application rather than exhausting staff time on evaluating all sphere designation alternatives.

Kathryn Besser, Inland Empire Utilities Agency External Affairs Manager, states that the District does not have a formal opinion on the outcome of the service review and supports the Commission's decision.

Chairman Curatalo closes the public hearing.

Commissioner Bagley inquires on the number of watermasters in the Chino Basin which encompasses three different counties. Project Manager Michael Tuerpe indicates that the Chino Basin Watermaster is the single water master in San Bernardino County but cannot comment on the number of watermasters for the neighboring counties.

Commissioner Williams inquires whether an interim sphere expansion for San Bernardino Valley Water Conservation District may be considered. Kathleen Rollings-McDonald noted that the sphere expansion is not an item for consideration during today's hearing.

Commissioner Ramos questioned whether staff should evaluate all governance options. Executive Officer Kathleen Rollings-McDonald notes the benefits in reviewing all possible governance options for Commission consideration.

Commissioner McCallon congratulates the east valley water agencies for forming the groundwater sustainability council. He supports the sphere expansion for the San Bernardino Valley Water Conservation District.

Commissioner Bagley moves approval of staff recommendations, second by Commissioner Cox. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos, Williams. Noes: None. Abstain: None. Absent: None.

**ITEM 10. REVIEW AND ADOPTION OF FINAL BUDGET FOR FISCAL YEAR 2015-16 INCLUDING THE FOLLOWING: A) ADOPTION OF FINAL BUDGET AND APPORTIONMENT AND B) APPROVAL OF PROPOSED AMENDMENT TO LAFCO BENEFIT PLAN SECTION 5: FLEXIBLE SPENDING PLAN**

Chairman Curatalo opens the public hearing.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. Notice of the Commission's consideration of the final budget was published in *The Sun*, a newspaper of general circulation.

Executive Officer Kathleen Rollings-McDonald states that staff circulated the proposed budget as required by law for review and comment. During the review period no comments or concerns have been received regarding the proposed budget or the apportionment. Ms. Rollings-McDonald notes there are two additional items to be discussed. She provides an overview of the recent revisions to the County's medical expense reimbursement plan noting it is time sensitive. In keeping with the Commission position to maintain its benefits commensurate with the County's Exempt Compensation Plan, staff is recommending adopting these revisions to the Policies & Procedures. Ms. Rollings-McDonald states that the Baldwin Lake Fire Reorganization (LAFCO 3172), which was approved in June 2014, has an outstanding balance of \$2,740 from the applicant. Staff is recommending that the Commission determine the amount

owed to be uncollectible and approve the write-off of the amount.

Commissioners Bagley and Cox inquire whether Big Bear Fire Authority has expressed interest in addressing the outstanding balance. Ms. Rollings-McDonald notes their position is unknown but the Commission can direct staff to contact the Big Bear Fire Authority on this matter.

Chairman Curatalo notes that there are no requests for comments.

Commissioner Bagley moves approval of staff recommendations with an amendment to exclude Recommendation #3 and direct staff to contact the Big Bear Fire Authority regarding the matter, second by Commissioner Williams. Staff conducts a roll call vote as follows: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos, Williams. Noes: None. Abstain: None. Absent: None. The item passes.

Chairman Curatalo calls for a brief recess allowing the Commission to switch their regular legal counsel with special legal counsel prior to the discussion of Item #11.

Commissioner Lovingood leaves the dais at 11:32am.

**DISCUSSION ITEMS:**

**ITEM 11. STATUS REPORT ON CONDITIONS IMPOSED ON LAFCO 3157 – SPHERE OF INFLUENCE ESTABLISHMENT FOR COUNTY SERVICE AREA 120 (CONTINUED FROM APRIL 15, 2015 HEARING)**

Chairman Curatalo welcomes Holly Whatley from Colantuono, Highsmith & Whatley, PC as the Commission's special legal counsel for LAFCO 3157. Executive Officer Kathleen Rollings-McDonald presents the staff report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here.

Executive Officer Kathleen Rollings-McDonald summarizes the Commission's adoption of Resolution No. 3190 related to the sphere of influence establishment for County Service Area 120 during the October 2014 hearing. Ms. Rollings-McDonald notes that the resolution included several conditions imposed on the sphere establishment. She indicates that staff was scheduled to update the Commission on the status of CSA 120 in meeting those conditions back in March; however, the County Special Districts Department provided a letter requiring a continuance to allow staff to fully evaluate the County's position on those conditions.

Executive Officer Kathleen Rollings-McDonald notes that based on the County Special Districts Department's correspondence, the County will not complete three conditions imposed upon the establishment of the sphere of influence for CSA 120. Ms. Rollings-McDonald states that the service review for the sphere establishment was deferred by the Commission in September 2014 to allow for the completion of the final report of the County's Vision Environmental Element Group and SanBAG's "Habitat Conservation Framework for San Bernardino County." She indicates that staff will now move forward with its service review and will consider the positions of the County SDD and the designation of a zero sphere for CSA 120 due to the lack of commitment in fulfilling the conditions that were imposed on its sphere establishment.

Commissioner Ramos inquires whether he should recuse himself from this item since he represents the County. Kathleen Rollings-McDonald notes that there is no conflict and he has the discretion to recuse himself.

Commissioner Ramos leaves the dais at 11:43am.

Commissioner Cox inquires whether County legal counsel had the opportunity to review the report and resolution. Kathleen Rollings-McDonald states that all information was provided to County counsel and the letter submitted by the County Special Districts Department was also reviewed by County counsel.

Commissioners Sethi and Warren leave the dais at 11:45am.

Tim Millington, County Special Districts Department Regional Manager, notes that the current economies of scale and direct costs affect the County's position on the conditions presented. Mr. Millington states that the County will continue to work with LAFCO on this item.

Commissioner Cox moves approval of staff recommendations, second by Commissioner McCallon. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, McCallon, Williams. Noes: None. Abstain: None. Absent: Lovingood, Ramos.

Chairman Curatalo calls for a brief recess allowing the Commission to switch their special legal counsel back to their regular legal counsel prior to the discussion of Item #12.

Commissioner Ramos returns to the dais at 11:49am.

**ITEM 12. DISCUSSION OF STATUS OF POTENTIAL PROPOSAL TO ACTIVATE LATENT AUTHORITY FOR EAST VALLEY WATER DISTRICT TO PROVIDE THE SERVICES OF WASTEWATER TREATMENT, DISPOSAL, AND RECYCLING**

Executive Officer Kathleen Rollings-McDonald presents the staff report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. Ms. Rollings-McDonald indicates that staff was directed to provide an update on the potential proposal to activate latent authority for East Valley Water District during its April 2015 hearing.

Executive Officer Kathleen Rollings-McDonald summarizes the history and introduction of special district representation on San Bernardino LAFCO. Ms. Rollings-McDonald notes that following the seating of special districts at the seat on the Commission in 1976, the Rules and Regulations affecting special districts were adopted and the listing of authorized functions and services was developed for all special districts. She states that from 1976 to 2004, the East Valley Water District did not identify any issues with the services and functions determined for the District. During the 2004 service review/sphere update, the services were again clarified.

Executive Officer Kathleen Rollings-McDonald states that in October 2014, LAFCO staff was made aware of East Valley Water District's project to develop a wastewater treatment plant. At that time, LAFCO made it clear that the District did not have authorization to provide for anything other than wastewater collection and would need to apply for the activation of the latent service. Ms. Rollings-McDonald notes that LAFCO and its Legal Counsel has met with District staff and its legal and special counsels to review the options related to consideration of the activation proposal due to the complications of the progression of the project. She explains how LAFCO has identified four options for consideration and is awaiting further information from the District.

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Commissioner Cox states that East Valley Water District should comply with the LAFCO process now that the District is aware of the need for activation of latent powers. Ms. Cox also voices concern on the formation of a Joint Powers Authority as one of the four options due to its complexity and government structure.

Commissioner Ramos inquires on LAFCO process duration for the completion of a latent powers application. Executive Officer Kathleen Rollings-McDonald states that the completion of any application depends on several factors being executed before the proposal is deemed complete and ready for Commission consideration.

Commissioner Cox inquires whether there is current legislation that would expedite the environmental process for certain applications. Special Legal Counsel Alisha Winterswyk, Best Best & Krieger Partner, explains that there are several legislative bills that would streamline such environmental-based applications, however, these bills are pending and no action has taken place.

Commissioner McCallon notes that the City of Highland's future developments would benefit from the proposed sewer plant and encourages the District to resolve the issues identified by LAFCO.

Chairman Curatalo reiterates the need for LAFCO staff to assist the District in resolving the issues with the proposed project. Executive Officer Kathleen Rollings-McDonald clarifies that LAFCO staff continues to work with the District, provide guidance, and facilitate viable options for East Valley Water District.

Chairman Curatalo opens the floor for public comments.

Stacey Aldstadt, San Bernardino Municipal Water Department General Manager, expresses concerns on the proposed project, which will profoundly affect the City of San Bernardino and its ratepayers. Ms. Aldstadt notes that the Department's active infrastructure already provides sewer service to the Cities of San Bernardino, Highland and Loma Linda through a joint powers agreement and has for almost 50 years. She explains how the sewer provision by the Department has received no complaints from its constituents. Ms. Aldstadt explains that the Department has invested millions of dollars towards various capital improvement projects that have benefited the residents within the cities. She also states that the Department has been working diligently on a regional recycled water project for the past seven years. She explains that after several years of completing the environmental process, receiving half a million dollars in grants from both Bureau of Reclamation and Environmental Protection Agency, and establishing local and federal partners, the Department has conducted the proper protocol to complete the development of a new regional recycled water plant.. She notes that one of the local contributors to the project was East Valley Water District, which was a partner in the ongoing efforts by the Department until recently when the District decided to build their own regional recycled water plant. Ms. Aldstadt states that the proposed activation of latent powers and East Valley Water District project will negatively affect the ratepayers for the Cities of San Bernardino, Highland and Loma Linda. Ms. Aldstadt concludes by reiterating that she does not support the development of another regional plant when the City of San Bernardino already has an active plant, which efficiently delivers services to residents and has sufficient capacity to provide services to future developments.

Jane Usher, East Valley Water District Special Legal Counsel, states that the District continues to review all possible options prior to submitting an application. Commissioner Ramos inquires

whether the District plans to submit an application. Ms. Usher notes that the District will embrace the LAFCO process and identify the best possible option for the agency.

Commissioner Williams leaves the dais at 12:23pm.

No Commission action required for the agenda item.

**ITEM 13. LEGISLATIVE UPDATE REPORT**

Executive Officer Kathleen Rollings-McDonald presents the Legislative report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. Ms. Rollings-McDonald states that the report includes information regarding the current status of three bills relating to LAFCOs.

Executive Officer Kathleen Rollings-McDonald states that AB 851 (Mayes) recently passed the Assembly Local Government Committee and Appropriations Committee by a vote of 9-0 and 19-0 respectfully. Ms. Rollings-McDonald notes that she continues to participate in meetings and discussions on this bill.

Executive Officer Kathleen Rollings-McDonald explains that AB 402 continues to be a contentious item with opposition from various parties including LAFCOs throughout the State. Ms. Rollings-McDonald notes that recent amendments have made the bill into a pilot program for Napa, Sonoma, and San Bernardino Counties with a sunset in 2021. She requests Commission support on this pilot program.

Executive Officer Kathleen Rollings-McDonald notes that staff initially opposed SB 239; however, postponed submitting a letter of opposition until reviewing the gut and amended bill. Ms. Rollings-McDonald states that the new language poses serious concerns to staff and thus recommends the Commission take the position of opposition unless SB 239 is further amended.

Commissioner Cox inquires whether the Commission should submit a letter of support to AB 402 due to its recent amendments. Executive Officer Kathleen Rollings-McDonald agrees with the additional recommendation.

Commissioner Farrell inquires on the Commission's evaluation of union interest. Executive Officer Kathleen Rollings-McDonald explains that certain contract negotiations involve union interest such as the recent Crest Forest Fire Protection District reorganization.

Commissioner Cox moves approval of staff recommendations with the inclusion of a letter of support regarding AB 402, second by Commissioner McCallon. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, McCallon, Ramos. Noes: None. Abstain: None. Absent: Lovingood, Williams.

**INFORMATION ITEMS:**

**ITEM 14. EXECUTIVE OFFICER'S ORAL REPORT**

Executive Officer Kathleen Rollings-McDonald states that there will be no June hearing and the next scheduled LAFCO hearing will be held on July 15, 2015. Ms. Rollings-McDonald notes that staff is currently working with Phelan Piñon Hills CSD and the City of San Bernardino on applications involving their agency.

**ITEM 15. COMMISSIONER COMMENTS**

Commissioner Cox discusses her recent interaction with Assembly Member Mayes thanking him for his leadership on the disincorporation bill. Executive Officer Kathleen Rollings-McDonald points out that the CALAFCO nomination form is included in each Commissioner packet and she recommends nominating Assembly Member Mayes for the Legislator of the Year Award. The Commission express support in nominating Assembly Member Mayes for the award.

Chairman Curatalo and Commissioner Cox thank the Commission for their reelection.

**ITEM 16. COMMENTS FROM THE PUBLIC**

No Comments

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION THE HEARING IS ADJOURNED AT 12:38 P.M.**

**ATTEST:**

\_\_\_\_\_  
**JOE SERRANO**  
**LAFCO Analyst**

**LOCAL AGENCY FORMATION COMMISSION**

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**JAMES CURATALO, Chairman**