

**DRAFT - ACTION MINUTES OF THE - DRAFT  
LOCAL AGENCY FORMATION COMMISSION  
HEARING OF NOVEMBER 18, 2015**

**REGULAR MEETING**

**9:00 A.M.**

**NOVEMBER 18, 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>Acquanetta Warren, Alternate</b>
	<b>Steve Farrell, Alternate</b>	<b>Diane Williams</b>

**STAFF:**

**Kathleen Rollings-McDonald, Executive Officer**  
**Clark Alsop, LAFCO Legal Counsel**  
**Michael Tuerpe, Project Manager**  
**Rebecca Lowery, Clerk to the Commission**  
**Bob Aldrich, LAFCO Consultant**

**ABSENT:**

<b>COMMISSIONERS:</b>	<b>Robert Lovingood</b>	<b>Sunil Sethi, Alternate</b>
	<b>Janice Rutherford, Alternate</b>	

**9:05 A.M. – CALL TO ORDER – FLAG SALUTE**

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 by the Commission 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 are 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.

1. Approval of Minutes for Regular Meeting of October 21, 2015
2. Approval of Executive Officer's Expense Report

3. Ratify Payments as Reconciled for Month of October 2015 and Note Cash Receipts
4. Consideration of: (1) CEQA Statutory Exemption for LAFCO 3191; and (2) LAFCO 3191 – Reorganization to include Annexations to the City of Rialto and West Valley Water District and Detachments from San Bernardino County Fire Protection District and its Valley Service Zone, and County Service Area 70 (Boral Roofing)

LAFCO considered the items listed under its consent calendar, which includes a Visa Justification, the Executive Officer's amended expense report, ratification of payments as reconciled for the month of October, and LAFCO 3191. Copies of each report are on file in the LAFCO office and are made part of the record by their reference herein.

Executive Officer Kathleen Rollings-McDonald says that an amended expense report has been provided to the Commission.

Chairman Curatalo calls for requests for deferral from Commissioners or staff; there are none.

Commissioner McCallon moves approval of the consent calendar, second by Commissioner Williams. 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.

#### **PUBLIC HEARING ITEMS:**

#### **ITEM 5. CONSENT ITEMS DEFERRED FOR DISCUSSION**

No items deferred for discussion.

#### **ITEM 6. CONSIDERATION OF REQUEST FOR EXEMPTION FROM GOVERNMENT CODE SECTION 56133 FOR LAFCO SC#401 – OUTSIDE SERVICE AGREEMENT FOR POTABLE WATER SERVICE BETWEEN THE CITY OF BIG BEAR LAKE'S DEPARTMENT OF WATER AND POWER AND COUNTY SERVICE AREA 53 ZONE C**

Commissioner Curatalo opens the public hearing for LAFCO SC#401.

Executive Officer Kathleen Rollings-McDonald presents the staff report for LAFCO SC#401, 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 this application was published in a newspaper of general circulation within the area, *The Grizzly*, through an 1/8<sup>th</sup> page legal ad in-lieu of individual notice as authorized by statute.

Executive Officer Kathleen Rollings-McDonald reviews Government Code Section 56133 that requires that contracts between two or more public agencies require Commission review. She states that the legislature amended these provisions to allow for instances where an exemption may be appropriate. She states that on October 6, 2015, the City of Big Bear Lake Department of Water and Power (hereafter "DWP") submitted its request that the Commission determine that the proposed Water Services Agreement between DWP and County Service Area 53 Zone C

(hereafter CSA 53 C or the "District") is exempt from the provisions of Government Code Section 56133, as authorized by Subsection (e), from the Moon Camp development project. She states that the Moon Camp project proposes the development of 50 residential units and 7 lettered lots on 62 acres of land along the north shore of Big Bear Lake, a part of the larger Fawnskin community.

Ms. McDonald states that over the last fourteen or so years, LAFCO staff has commented on the EIR and the several recirculated EIRs for the Moon Camp project, and that in all of these environmental documents, the question of water service provision for the project has included a discussion of service delivery through the DWP. She states that the exemption determination is required to move forward with the completion of this agreement since the territory of the Moon Camp project is not within the sphere of influence of the City of Big Bear Lake, and that after reviewing the materials presented for SC#401, it is the staff's position that the findings identified in Subsection (e) of Section 56133 are applicable; therefore, the agreement between the DWP and CSA 53C should be exempted from further LAFCO review. Ms. McDonald reviews the findings as noted in the staff report and asks that the Commission determine that LAFCO SC#401 complies with the exemption criteria listed within Government Code Section 56133 Subsection (e) and, therefore, does not require Commission approval to proceed.

Commissioner Farrell asks why the contract does not include those areas that use well water. Ms. McDonald states that staff has been requested solely to review the development project, and the ability to address those well water users presents a different service scenario. In addition, no interest to be included has been expressed by the home owners.

Chairman Curatalo calls for comments. There being none, closes the public hearing.

Commissioner Bagley moves approval of staff recommendations for LAFCO SC#401, second by Commissioner Cox. 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.

**ITEM 7. CONSIDERATION OF: (1) REVIEW OF NEGATIVE DECLARATION PREPARED BY COUNTY OF SAN BERNARDINO FOR PLANNED DEVELOPMENT, GENERAL PLAN AMENDMENT TO CHANGE THE LAND USE FROM SINGLE RESIDENTIAL 20,000 SQ. FT. MINIMUM TO SPECIAL DEVELOPMENT-PLANNED RESIDENTIAL DEVELOPMENT, AND TENTATIVE TRACT 18902 TO CREATE 36 LOTS ON 6.86 ACRES, AS CEQA RESPONSIBLE AGENCY FOR LAFCO SC#400; AND (2) LAFCO SC#400 – CITY OF CHINO IRREVOCABLE AGREEMENT TO ANNEX FOR WATER AND SEWER SERVICE (TENTATIVE TRACT 18902 -- APNS 1016-521-03, -04, AND -05)**

Commissioner Curatalo opens the public hearing for LAFCO SC#400.

Executive Officer Kathleen Rollings-McDonald presents the staff report for LAFCO SC#400, 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 this application was published in a newspaper of general circulation within the area, *The Inland Valley Daily Bulletin*, along with individual notice to landowners and registered voters surrounding the site.

Ms. McDonald states that the City of Chino has submitted a request for approval of an irrevocable agreement to annex that outlines the terms by which it will extend water and sewer service. She states that the property owner/developer has processed a Planned Development and Tentative Tract (TT18902) on 6.86 acres, which was approved by the County Board of Supervisors on November 4, 2014. She states that for the project to record the final tract map, the property owner/developer requires the completion of the contract process for the receipt of water and sewer service.

Ms. McDonald states that the City has indicated that while the service contract area is contiguous to City boundaries, its annexation at this time would not provide for a logical and efficient boundary for delivery of the full-range of City services. Therefore, the City has agreed to the processing of the out-of-agency service contract for water and sewer service to allow for the development of the 36-lot subdivision. She states that the plan for service in the City's application indicates that an existing 8-inch water main and an 18-inch sewer main front the property on Pipeline Avenue, and that water and sewer service will be provided through respective main lines and laterals to these facilities to be constructed by the owner; she reviews the construction costs.

Ms. McDonald states that staff has reviewed this request for authorization to provide water and sewer service from the City of Chino outside of its corporate boundaries against the criteria established by Commission policy and Government Code Section 56133, and that staff supports the City's request for authorization to provide service since its facilities are adjacent to the anticipated development. She reviews the project's determinations and states that LAFCO's Environmental Consultant, Tom Dodson and Associates, have indicated that the County's Initial Study and Negative Declaration are adequate for the Commission's use as a CEQA responsible agency. Ms. McDonald requests that the Commission approve staff recommendations as outlined in the staff report.

Chairman Curatalo calls for comments. There being none, closes the public hearing.

Commissioner McCallon moves approval of staff recommendations for LAFCO SC#400, second by Commissioner Williams. 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.

**DISCUSSION ITEMS:**

**ITEM 8. PRESENTATION REQUIRED PURSUANT TO POLICY AND PROCEDURE MANUAL SECTION IV- APPLICATION PROCESSING, CHAPTER 1 – PROPOSALS, POLICY 11 –ISLAND ANNEXATION PURSUANT TO GOVERNMENT CODE SECTION 56375.3 -- PROPOSED ANNEXATION TO THE CITY OF RIALTO AND WEST VALLEY WATER DISTRICT OF THE LYTLE CREEK RANCH SPECIFIC PLAN ANTICIPATING THE DEVELOPMENT OF MORE THAN 500 UNITS**

(It is noted that Commissioner Ramos arrives at the dais at 9:24 a.m.)

Executive Officer Kathleen Rollings-McDonald presents the staff report for the Application

Processing Policy related to Island Annexations, 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. McDonald states that in September 2011, the Commission modified its Island Annexation Policy removing the requirement for a City to initiate the annexation of its islands meeting the statutory definitions in Government Code Section 56375.3 when considering a major development application. This amendment was based upon two changes in circumstances: (1) the passage of SB 89 by the legislature removing the discretionary Motor Vehicle In-lieu fee on a per capita basis from newly incorporated cities and inhabited annexations made the determination of sustainability for service delivery questionable; and (2) the continuing desire of the Commission to look at these issues on a case-by-case basis. She states that part of the language of the policy requires that LAFCO staff shall, within 90-days of submission, place an item on the Commission's discussion calendar to review that City's unincorporated island areas which meet the criteria identified in Government Code Section 56375.3. She states that in September 2015, the City of Rialto submitted an application for annexation of two portions of the adopted Lytle Creek Rancho Specific Plan, and that the annexation proposal includes the anticipated development of 3,187 residential units and 235,645 square feet of commercial development. She states that there are five individual island areas which meet the criteria in Government Code Section 56375.3 of less than 150 acres, substantially or totally surrounded, etc., and in close proximity to the project. The islands and are shown in the staff report. Specifically excluded from that discussion is the area commonly known as El Rancho Verde as it is 212 acres in size.

Ms. McDonald says that staff was unable to gather the financial data and review the matter with the affected agencies in order to address the policy criteria at the November hearing. Therefore staff is requesting that the Commission continue this item to the December 16<sup>th</sup> hearing.

Chairman Curatalo calls for comments from the public, there are none.

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

**INFORMATION ITEMS:**

**ITEM 9 LEGISLATIVE UPDATE REPORT**

Executive Officer Kathleen Rollings-McDonald provides an oral legislative report update and states that there is little activity since the new legislative year has not begun, and that she participated in a CALAFCO University course that discussed the implications of SB 88 regarding water. From these discussions, the legislative theme for the upcoming session remains the same. Issues regarding water conservation and drinkable water continue to be at the forefront. She states that CALAFCO continues to work with the state on the water issues, and that she will continue to monitor and keep the Commission apprised of information as it becomes available.

Ms. McDonald states that she will be attending the CALAFCO Legislative Committee Meeting in Sacramento on December 11. Chairman Curatalo states that CALAFCO is preparing for the upcoming year with planning for the new legislature, and that there are a large number of bills for

the CALAFCO Executive Director to track and that the CALAFCO Executive Director is doing a fine job. Ms. McDonald states that the San Bernardino County legislative contingency is a remarkable group and that next year will be a busy time.

**ITEM 10 EXECUTIVE OFFICER'S ORAL REPORT:**

Executive Officer Kathleen Rollings-McDonald states it will be necessary to conduct a Commission hearing in the month of December in a workshop session to provide an overview of two large projects involving the county fire protection district and the City of San Bernardino and Twenty-nine Palms Water District. She states that staff has received an application from the Wrightwood community for the formation of a CSD. That proposal crosses county lines, and staff will be working with Los Angeles LAFCO on it.

Ms. McDonald states that next year will be a busy year for staff as they are anticipating receiving a number of applications. She states that three of the commissioners have terms that are expiring in 2016; Commissioners Cox, Williams and Sethi. Their terms terminate the first week in May, and that the selection process for those seats will be started early next year.

Commissioner Cox asks which services are being requested by the Wrightwood CSD Formation. Ms. McDonald states that they are requesting streelighting, park and recreation and solid waste.

Commissioner Bagley asks if staff is receiving the documents they need for the fire reorganizations. Ms. McDonald states that documents are being submitted by the agencies. She further states that as each document comes in, more questions develop, and many unique issues are revealed and need to be resolved.

Commissioner Bagley states that the City of Twentynine Palms is having a special meeting to address their role in the fire reorganization process. Ms. McDonald says that the City of Twentynine Palms is obligated to provide fire service and if the water district can no longer provide fire service, the City would be obligated. Commissioner Bagley expresses his concerns that the information that staff needs may not be received in a timely manner. Ms. McDonald states that the entities involved are obligated by statute to provide the information to LAFCO.

**ITEM 11 COMMISSIONER COMMENTS**

Commissioner Cox wishes everyone a Happy Thanksgiving.

**ITEM 12 COMMENTS FROM THE PUBLIC**

No comments.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION THE HEARING IS ADJOURNED AT 9:40 A.M.**

**ATTEST:**

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**REBECCA LOWERY**  
Clerk to the Commission

**LOCAL AGENCY FORMATION COMMISSION**

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**JAMES CURATALO, Chairman**

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