

TENTATIVE AGENDA

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

**SAN BERNARDINO CITY COUNCIL CHAMBERS
300 NORTH D STREET, FIRST FLOOR, SAN BERNARDINO**

REGULAR MEETING OF NOVEMBER 16, 2016

9:00 A.M. – CALL TO ORDER – FLAG SALUTE

ANNOUNCEMENT: Anyone present at the hearing who is involved with any of the changes of organization to be considered and who has made a contribution of more than \$250 in the past twelve (12) months to any member of the Commission will be asked to state for the record the Commission member to whom the contribution has been made and the matter of consideration with which they are involved.

1. Presentation of Resolution of Appreciation to Rebecca Lowery

CONSENT ITEMS:

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

2. Approval of Minutes for Regular Meeting of October 19, 2016
3. Approval of Executive Officer's Expense Report
4. Ratify Payments as Reconciled for Month of October 2016 and Note Cash Receipts

PUBLIC HEARING ITEMS:

5. Consent Items Deferred for Discussion
6. Adoption of Impartial Analysis for LAFCO 3202 – Reorganization to Include Formation of Wrightwood Community Services District, and Dissolution of County Service Area 56

DISCUSSION ITEMS:

7. Sixth Month Update on the City of Rialto's Initiation of its Five North Rialto Islands
8. Relocation of Commission Hearings

INFORMATION ITEMS:

9. Legislative Update Oral Report

10. Executive Officer's Oral Report
 - a. Update on Committee formed related to LAFCO 3212
 - b. Update on Relocation/Renovation Progress at Santa Fe Depot
 - c. New Proposals Received

11. Commissioner Comments
(This is an opportunity for Commissioners to comment on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken on off-agenda items unless authorized by law.)

12. Comments from the Public
(By Commission policy, the public comment period is limited to five minutes per person for comments related to other items under the jurisdiction of LAFCO not on the agenda.)

The Commission may adjourn for lunch from 12:00 to 1:30 p.m. The Commission may take action on any item listed in this Agenda whether or not it is listed For Action. In its deliberations, the Commission may make appropriate changes incidental to the above-listed proposals.

Materials related to an item on this Agenda submitted to the Commission or prepared after distribution of the agenda packet will be available for public inspection in the LAFCO office at 215 N. D St., Suite 204, San Bernardino, during normal business hours, on the LAFCO website at www.sbclaftco.org, and at the hearing.

Current law and Commission policy require the publishing of staff reports prior to the public hearing. These reports contain technical findings, comments, and recommendations of staff. The staff recommendation may be accepted or rejected by the Commission after its own analysis and consideration of public testimony.

IF YOU CHALLENGE ANY DECISION REGARDING ANY OF THE ABOVE PROPOSALS IN COURT, YOU MAY BE LIMITED TO RAISING ONLY THOSE ISSUES YOU OR SOMEONE ELSE RAISED DURING THE PUBLIC TESTIMONY PERIOD REGARDING THAT PROPOSAL OR IN WRITTEN CORRESPONDENCE DELIVERED TO THE LOCAL AGENCY FORMATION COMMISSION AT, OR PRIOR TO, THE PUBLIC HEARING.

The Political Reform Act requires the disclosure of expenditures for political purposes related to a change of organization or reorganization proposal which has been submitted to the Commission, and contributions in support of or in opposition to such measures, shall be disclosed and reported to the same extent and subject to the same requirements as provided for local initiative measures presented to the electorate (Government Code Section 56700.1). Questions regarding this should be directed to the Fair Political Practices Commission at www.fppc.ca.gov or at 1-866-ASK-FPPC (1-866-275-3772).

A person with a disability may contact the LAFCO office at (909) 388-0480 at least 72-hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

**DRAFT – ACTION MINUTES OF THE – DRAFT
LOCAL AGENCY FORMATION COMMISSION
HEARING OF October 19, 2016**

REGULAR MEETING

9:00 A.M.

October 19, 2016

PRESENT:

COMMISSIONERS:

Jim Bagley	Larry McCallon
Kimberly Cox, Chair	James Ramos, Vice-Chair
Jim Curatalo	Thurston Smith, Alternate
Steve Farrell, Alternate	Acquanetta Warren, Alternate
Robert Lovingood	Diane Williams

STAFF:

Kathleen Rollings-McDonald, Executive Officer
Clark Alsop, LAFCO Legal Counsel
Samuel Martinez, Assistant Executive Officer
Jeffrey Lum, LAFCO Analyst
Bob Aldrich, LAFCO Consultant

ABSENT:

Janice Rutherford, Alternate

**CONVENE REGULAR SESSION OF THE LOCAL AGENCY FORMATION COMMISSION
– CALL TO ORDER – 9:07 A.M. – SAN BERNARDINO CITY COUNCIL CHAMBERS**

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

REQUEST FOR EMERGENCY ADDITION OF ITEM TO AGENDA:

Executive Officer McDonald requests that an emergency item be added to the agenda that relates to LAFCO 3212, the proposed consolidation of the Chino Basin Water Conservation District and the Inland Empire Utilities Agency. She notes that addition of an item to the agenda requires Commission approval and, if approved, the item will be #4 under the public hearing portion of the agenda. She states that the item relates to the formation of a committee to develop alternatives to the proposal.

Commissioner Lovingood moves approval of the agenda addition, second by Commissioner Ramos. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Farrell, Lovingood, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: Curatalo (Mr. Farrell voting in his stead)

CONSENT ITEMS:

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.

- ITEM 1. Approval of Minutes for Regular Meeting of September 21. 2016
- ITEM 2. Approval of Executive Officer's Expense Report
- ITEM 3. Ratify Payments as Reconciled for Month of September 2016 and Note Cash Receipts

Commissioner Lovingood 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, Farrell, Lovingood, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: Curatalo (Mr. Farrell voting in his stead)

Commissioner Curatalo arrives at 9:10 A.M.

ITEM 4. EMERGENCY ADDED ITEM - REQUEST FOR AUTHORIZATION TO FORM COMMITTEE TO REVIEW ALTERNATIVES FOR LAFCO 3212 – CONSOLIDATION OF INLAND EMPIRE UTILITIES AGENCY AND CHINO BASIN WATER CONSERVATION DISTRICT

Commissioner Williams recuses herself and leaves the dais at 9:12 A.M.

Executive Officer McDonald states that a proposal has been filed to consolidate the Inland Empire Utilities Agency and the Chino Basin Water Conservation District and that the proposal has been circulated for review and comment. She notes that staff has received comments from affected and interested agencies and that staff has also identified questions regarding the ongoing provision of conservation education services in the West Valley under the proposed Plan for Service - all of which were discussed in a LAFCO Department Review Committee meeting held on October 13, 2016.

Executive Officer McDonald states that to identify options for service provision, a committee should be formed consisting of representatives from the Inland Empire Utilities Agency, the Chino Basin Water Conservation District, County Administrative Office/Flood Control, the Inland Empire Resource Conservation District and LAFCO staff. She notes that a property tax exchange is currently being processed through the County and must be completed by December 13, 2016 to meet the 60-day statutory deadline. Ms. McDonald states, however, that this timeframe could potentially be extended if viable options are developed as alternatives to the current proposal.

Chair Cox asks for any questions or comments from the Commission.

Commissioner Bagley expresses support for the committee as a means to get all the key issues on the table for discussion among affected agencies.

Commissioner Lovingood echoes Commissioner Bagley's comments.

Chair Cox asks if there are any restrictions on contact between the applicant and affected agencies and Commissioners, to which LAFCO Legal Counsel Aslop responds that there are no restrictions. Executive Officer McDonald adds that the Commission has no policy on ex-parte communications.

Commissioner Curatalo asks for the criteria for selecting committee members.

Executive Officer McDonald responds that she will be asking each agency to select two representatives to serve on the committee. She states that she is hopeful that at least one member of each agency will be a staff member since many of the issues to be discussed are technical in nature. She states that second member can be a staff member or from the agency's board of directors.

Commissioner Curatalo asks how many meetings are planned for the committee.

Executive Officer McDonald states that she anticipates approximately four to five meetings of the committee.

Commissioner Curatalo asks who will chair the committee.

Executive Officer McDonald states that LAFCO will conduct the committee meetings unless there is a formal request to form a reorganization committee under LAFCO law. She assures Commissioner Curatalo that all committee participants will have a full opportunity to provide input into the committee discussion.

Chair Cox inquires if it is staff's intent to bring the consolidation proposal back before the Commission in December.

Executive Officer McDonald states the proposal will not be ready for Commission consideration in December. She states that should viable alternatives to divide services among agencies be developed by the committee, staff could then provide guidance to the County in their property tax negotiations prior to the December deadline. She adds that the County could then request a 60 to 90 day extension.

Commission Curatalo asks if the Commission will receive regular updates on the committee's progress.

Executive Officer McDonald states that staff can do so at the direction of the Commission. She states that she can add that as a regular update on each month's Commission agenda and that can be added to the recommendation.

Chair Cox opens the public hearing.

Eunice Ulloa, General Manager, Chino Basin Water Conservation District, states that she opposes formation of the committee. She states that her District lacks information from the Inland Empire Utilities Agency to develop a complete response to the consolidation

proposal. Ms Ulloa states that the District's Public Records Requests have gone unanswered by IEUA. Chair Cox questions the District' Legal Counsel recommendation on compliance with the Public Records Request and the timing of the request, to which Ms. Vivian Castro, Assistant Executive Director for the District provides an outline of the dates.

Executive Officer McDonald states that formation of the committee will allow all parties to be in one room and share the same information.

Commissioner Farrell asks if the committee will be making a recommendation.

Executive Officer McDonald states that the committee will be developing alternatives only.

Commissioner Ramos moves approval of Item 4, as amended by the Commission to include monthly updates on committee activities, second by Commissioner Curatalo. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos and Warren. Noes: None. Abstain: Absent: Williams (Ms. Warren acting in her stead).

Commissioner Williams returns to the dais at 9:30 A.M.

PUBLIC HEARING ITEMS:

ANNOUNCEMENT OF CONTRIBUTIONS

Chair Cox 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 12 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 5 CONSENT ITEMS DEFERRED FOR DISCUSSION:

None

ITEM 6 CONSIDERATION OF: (1) REVIEW OF NEGATIVE DECLARATION PREPARED BY THE COUNTY OF SAN BERNARDINO FOR THE DEVELOPMENT AND USE OF A CHURCH THAT CONSISTS OF A 19,100 SQ. FT. MAIN SANCTUARY BUILDING, A 12,250 SQ. FT. FELLOWSHIP HALL, AND A 13,600 SQ. FT. YOUTH SANCTUARY ON 8.1 ACRES, AS CEQA RESPONSIBLE AGENCY FOR LAFCO SC#408; AND (2) LAFCO SC#408 – CITY OF LOMA LINDA IRREVOCABLE AGREEMENT TO ANNEX FOR WATER AND SEWER SERVICE (SOUTHEASTERN CALIFORNIA CONFERENCE OF SEVENTH-DAY ADVENTISTS

Assistant Executive Officer Samuel Martinez presents the staff report for Item 6, 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 Sun*, a newspaper of general circulation within the area and individual notice has been provided as required by statute.

Mr. Martinez states that the City of Loma Linda has submitted a request for approval of an Irrevocable Agreement to Annex to extend water and sewer service outside its boundaries. He indicates that the proposal applies to single parcel within the City of Loma Linda's eastern sphere of influence at the southeast corner of New Jersey and Bermudez Streets. He further states that the proposed project to be served by the service extension is a church facility located on 8.1 acres which was approved by the County in 2014.

Assistant Executive Officer Martinez states that the City's original application, executed in April 2014, only addressed the provision of water service to the proposed church facility. He indicates that the new agreement now reflects both water and sewer service and includes updated parcel numbers. Mr. Martinez informs the Commission that the updated agreement was signed by the property owner and approved by the Loma Linda City Council on October 11, 2016. He states that authorization of this agreement by LAFCO is required before the City can take the final actions to implement the terms of the agreement.

Mr. Martinez summarizes the Plan for Service and states that water service will be provided to the church facility by requiring the property owner/developer to install water facilities by looping the City's existing water system through an extension of an eight-inch water main in San Timoteo Canyon Road and in Bermudez Street. He states that sewer service will be provided by extension of an eight-inch sewer main along Bermudez Street and along New Jersey Street, extending northerly to an existing main at the intersection of Barton Road and New Jersey Street. Mr. Martinez further states that the fees charged by the City of Loma Linda for the extension of water and sewer service to the parcel total \$81,191.43.

Assistant Executive Officer Martinez indicates that LAFCO's environmental consultant, Tom Dodson and Associates, has reviewed the County's environmental assessment and recommends that, if the Commission approves LAFCO SC#408, the County's Initial Study and Mitigated Negative Declaration are adequate for the Commission's use as a CEQA responsible agency.

Mr. Martinez concludes his presentation by summarizing staff's determinations and recommended actions as outlined in the staff report. He recommends Commission approval of LAFCO SC#408.

Chair Cox asks for any Commission questions or comments.

Commissioner Bagley states that this appears to be an island annexation.

Executive Officer McDonald states that the proposal is a service contract, not an annexation, and because the property is within a County agricultural preserve it cannot be annexed under the expedited island annexation procedures. She further indicates that staff has been in contact with the City of Loma Linda regarding their islands, and staff is working together with the City on this issue. She notes that there is a Departmental Review Committee meeting scheduled for tomorrow to discuss the potential annexation of the City's California Street Island in its entirety.

Chair Cox opens the public hearing and asks if there are any members of the public wanting to speak on this item. There are none.

Chair Cox closes the public hearing and asks the Commission for a determination.

Commissioner McCallon moves approval of Item 6, 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 and Williams. Noes: None Abstain: None Absent: None

DISCUSSION ITEMS:

ITEM 7 FIRST QUARTER FINANCIAL REVIEW FOR PERIOD JULY 1 THROUGH SEPTEMBER 30, 2016: (A) FINANCIAL REVIEW AND (B) RECOGNIZE INCREASE REVENUES OF \$17,927 IN CARRYOVER (ACCOUNT 9970)

Executive Officer McDonald presents the staff report, a complete copy of which is on file in the LAFCO office, and provides an overview of the first quarter's expenses and revenues. She states that the Salaries and Benefits category is currently at 27 percent of the yearly budgeted total, however that period includes the month of August with three pay periods and an Executive Officer retroactive payment and merit increase. She indicates that the Services and Supplies category is 34 percent of the approved budget authority and that includes a \$100,000 payment for the Commission-approved down payment for the Santa Fe Train Depot office space, noticing costs related to the West Valley Mosquito and Vector Control District, and protest processing costs related to the Wrightwood CSD formation.

Ms. McDonald summarizes the anticipated second quarter expenditures which will include the CALAFCO Annual Conference expenses, annual audit costs, and the LAFCO's educational training program for special districts which begins in December with a presentation on special district laws co-sponsored by the California Special Districts Association. She states that the Contingency and Reserve accounts remain untouched during this quarter.

Ms. McDonald states that LAFCO has received 100 percent of the mandatory apportionment payments from member agencies, and that through the first quarter, the Fees and Deposits series of accounts have received 19 percent of its budgeted revenue. She states that the City of Hesperia is scheduled to submit an application to annex to County Fire in November, and there are additional agencies expected to file for reorganization of their fire responsibilities during this fiscal year.

Chair Cox asks for an update on service reviews.

Executive Officer McDonald states that staff has started on the second round of service reviews, beginning with water service on a countywide basis. She states that this is one of the most difficult services to review given recently adopted legislation affecting groundwater management responsibilities. She states that staff expects to present the water service review for Commission consideration this winter.

Executive Officer McDonald concludes that in terms of application activity, FY 15-16 returned to a pre-recession level and that FY 16-17 is expected to match that level of activity. Finally, she summarizes the requested Commission actions identified in the staff

report, including the recognition of an increase in Cash Carryover from Fiscal Year 2015-16 of \$17,927.

Chair Cox asks if there are additional questions. There are none.

Commissioner Curatalo moves approval of Item 7, second by Commissioner Williams. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Curatalo, Lovingood, McCallon, Ramos and Williams. Noes: None Abstain: None Absent: None

INFORMATION ITEMS

ITEM 8 LEGISLATIVE UPDATE REPORT

Executive Officer McDonald states that there is no formal legislative update this month. She notes that she has expressed interest to CALAFCO in remaining on the Legislative Committee and will find out if that appointment is approved at the upcoming CALAFCO Conference. Executive Officer McDonald states that each Commissioner received a legal alert from BB&K outlining new requirements for JPAs providing municipal services to file their formation documents with LAFCO.

Legal Counsel Clark reiterates that this only applies to JPAs providing municipal services.

Commissioner Lovingood leaves the dais at 9:58 A.M.

ITEM 9 EXECUTIVE OFFICER'S ORAL REPORT

Executive Officer McDonald states that she has provided the Commission with updates and analysis from BB&K on the California Voting Rights Act and the Political Reform Act. She states that information has also been provided to each Commissioner regarding the CALAFCO Conference and annual meeting as well as a report from the Southern Region Recruitment Committee regarding two openings.

Executive Officer McDonald informs the Commission that the City of Hesperia will be refiling their fire reorganization application in November, and there are indications that additional agencies may be filing fire reorganizations in the near future. She also states that the Commission has received an engagement letter from the auditors and that the annual audit of the agency's financial records is underway. Finally, Executive Officer McDonald states that this is the meeting in which the Commission's Audit and Budget Committee is formed which traditionally consists of the current Chair, Vice Chair and immediate Past Chair unless the Chair provides alternative direction.

Chair Cox states her preference is to continue with the traditional appointment process.

Executive Officer McDonald states that Audit and Budget Committee will consist of Chair Cox, Vice Chair Ramos and Commissioner Curatalo.

ITEM 10 COMMISSIONER'S COMMENTS

Chair Cox asks if there are any Commissioner comments.

Commissioner McCallon states that SANBAG is transitioning from a JPA to a separate statutory authority as of January 1, 2017. He states that agency's new name will be the San Bernardino County Transportation Authority.

Executive Officer McDonald states that recruitment for a Commission Clerk will begin within the next two weeks.

Chair Cox, on behalf of the Commission, expresses her thanks for the services of former Commission Clerk Rebecca Lowery and wishes her well.

Chair Cox announces that Commissioner Smith has been appointed to the Mojave Water Agency and can no longer serve as Alternative Public Member following his seating in December. Therefore, November will be his last meeting and the recruitment will be started to fill that position on the Commission in the new year.

Chair Cox asks if there are any additional comments from the Commission. There are none.

ITEM 13 COMMENTS FROM THE PUBLIC

Chair Cox asks if there are any comments from the public. There are none.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION, THE HEARING IS ADJOURNED AT 10:06 A.M.

ATTEST:

KATHLEEN ROLLINGS-McDONALD
Clerk to the Commission

LOCAL AGENCY FORMATION COMMISSION

KIMBERLY COX, Chair

**LOCAL AGENCY FORMATION COMMISSION
FOR SAN BERNARDINO COUNTY**

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DATE: NOVEMBER 8, 2016
FROM:  **KATHLEEN ROLLINGS-McDONALD, Executive Officer**
TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #3 – APPROVAL OF EXECUTIVE OFFICER’S
EXPENSE REPORT**

RECOMMENDATION:

Approve the Executive Officer’s Expense Report for Procurement Card Purchases for the month of October 2016 as presented.

BACKGROUND INFORMATION:

The Commission participates in the County of San Bernardino’s Procurement Card Program to supply the Executive Officer a credit card to provide for payment of routine official costs of Commission activities as authorized by LAFCO Policy and Procedure Manual Section II – Accounting and Financial Policy #3(H). Staff has prepared an itemized report of purchases that covers the billing period of September 23, 2016 through October 22, 2016.

Staff recommends that the Commission approve the Executive Officer’s expense report as shown on the attachment.

KRM/mt

Attachment

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE : NOVEMBER 7, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

**SUBJECT: AGENDA ITEM #4 - RATIFY PAYMENTS AS RECONCILED FOR
MONTH OF OCTOBER 2016 AND NOTE REVENUE RECEIPTS**

RECOMMENDATION:

Ratify payments as reconciled for the month of October 2016 and note revenue receipts for the same period.

BACKGROUND INFORMATION:

Staff has prepared a reconciliation of warrants issued for payments to various vendors, internal transfers for payments to County Departments, cash receipts and internal transfers for payments of deposits or other charges that cover the period of October 1, 2016 through October 31, 2016.

Staff is recommending that the Commission ratify the payments for September outlined on the attached listings and note the revenues received.

KRM/MT

Attachment

MONTHLY RECONCILIATION OF PAYMENTS

MONTH OF OCTOBER 2016 PAYMENTS PROCESSED					
VOUCHER ID	ACCOUNT	NAME	WARRANT NO.	WARRANT DATE	AMOUNT
PV8908625	2305	PAPER RECYCLING SPECIALISTS	3288833	4/10/16	\$ 34.00
PV8908633	2445	ROBERT J ALDRICH	3288843	4/10/16	\$ 3,675.00
PV8908634	1235	SPECIAL DISTRICTS RISK MGMT (Workers' Comp)	8930743	4/10/16	\$ 130.96
PV8908635	9910	PHELAN PINON HILLS CSD (Refund)	8931362	5/10/16	\$ 964.17
PV8908636	9910	AMCAL LAS TERRAZAS FUND LP (Refund)	8931361	5/10/16	\$ 64.31
PV8908637	2400	BEST BEST & KRIEGER	3288755	4/10/16	\$ 6,563.04
PV8908638	2445	ROBERT J ALDRICH	3288843	4/10/16	\$ 3,525.00
PV8908639	2424	TOM DODSON & ASSOCIATES	3290191	10/20/16	\$ 619.00
PV8908640	2905	215 NORTH D STREET BLDG LLC	3290201	10/20/16	\$ 4,484.01
PV8908641	2085	DAILY JOURNAL	8942575	10/28/16	\$ 528.05
PV8908642	2445	ROBERT J ALDRICH	3290869	10/28/16	\$ 3,600.00
PV8908643	2445	CITY OF SAN BERNARDINO	8934347	12/10/16	\$ 300.00
PV8908644	2445	JIM BAGLEY	8942606	10/28/16	\$ 297.10
PV8908645	2445	KIMBERLY COX	8942613	10/28/16	\$ 258.32
PV8908646	2445	JAMES V CURATALO	8942605	10/28/16	\$ 227.00
PV8908647	2445	STEVEN FARRELL	8942691	10/28/16	\$ 217.82
PV890864801	2445	ROBERT A LOVINGOOD	8938853	10/20/16	\$ 200.00
PV890864802	2445	LARRY MCCALLON	8938824	10/20/16	\$ 200.00
PV8908649	2445	THURSTON SMITTY SMITH	8942699	10/28/16	\$ 248.06
PV8908650	2445	ACQUANETTA WARREN	8942540	10/28/16	\$ 217.28
PV8908651	2445	DIANE WILLIAMS	8942582	10/28/16	\$ 228.08
TOTAL					\$ 26,581.20
MONTH OF OCTOBER 2016 INTERNAL TRANSFERS PROCESSED					
JVIB 03062037D	2037	PHONE CHARGES - COUNTY SYSTEM		10/6/16	\$ 255.96
JVPURRT04318	2310	COUNTY MAIL - BULK		10/13/16	\$ 2,722.02
JVPURRT04337	2310	COUNTY MAIL - INTER-OFFICE MAIL		10/14/16	\$ 188.00
JVPURRT04332	2310	COUNTY MAIL - PACKAGING		10/14/16	\$ 394.90
JVPURRT04328	2310	COUNTY MAIL - 1ST CLASS		10/14/16	\$ 7.29
JVPURRT04329	2310	COUNTY MAIL - PRESORT 1ST CLASS		10/14/16	\$ 208.15
JVPURRT04333	2310	COUNTY MAIL - PRESORT FLATS		10/14/16	\$ 93.17
JVPURRT04332	2310	COUNTY MAIL - PACKAGING		10/14/16	\$ 19.83
JVPURRT04341	2310	COUNTY MAIL - FOLD, TAB, LABEL		10/14/16	\$ 338.28
JVIB 03062410 AB-W	2410	COUNTY DATA PROCESSING		10/6/16	\$ 652.25
JVIB 03062420J	2420	COMMUNICATION DEVICE		10/6/16	\$ 17.47
JVIB 03062421F	2421	COUNTY DESKTOP SUPPORT		10/6/16	\$ 743.94
JV890RT04442	2424	ENVIRONMENTAL FILING WITH CLERK TO BOARD		10/14/16	\$ 150.00

MONTHLY RECONCILIATION OF PAYMENTS

JV890RT04672	2445	ASSESSOR, LANDOWNER LISTING, LAFCO 3209		10/18/16	\$ 312.00
JVATXRT04671	2445	2016 Q3 PAYROLL FEE TO COUNTY ATC		10/18/16	\$ 984.90
JV890RT04398	2445	ROV LISTING - SC 408		10/17/16	\$ 50.30
TOTAL					\$ 7,138.46

MONTH OF OCTOBER 2016 CASH RECEIPTS

DEPOSIT DOCUMENT ID	ACCOUNT	DESCRIPTION		DEPOSIT DATE	AMOUNT
		NONE			
TOTAL					\$ -

MONTH OF OCTOBER 2016 INTERNAL TRANSFERS RECEIVED

TRANSFER DOCUMENT ID	ACCOUNT	NAME		TRANSFER DATE	AMOUNT
JVTZ RT161017048	8500	INTEREST, 2016 3RD QUARTER		10/24/16	\$ 2,116.30
TOTAL					\$ 2,116.30



Michael Tuerpe, Project Manager

11/7/2016
DATE

RECONCILIATION APPROVED BY:



KATHLEEN ROLLINGS-McDONALD, Executive Officer

11/7/2016
DATE

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: NOVEMBER 16, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #6 – ADOPTION OF IMPARTIAL ANALYSIS FOR LAFCO 3202 – REORGANIZATION TO INCLUDE FORMATION OF WRIGHTWOOD COMMUNITY SERVICES DISTRICT AND DISSOLUTION OF COUNTY SERVICE AREA 56

RECOMMENDATION:

That the Commission adopt the Impartial Analysis for LAFCO 3202 – Reorganization to Include Formation of the Wrightwood Community Services District, and Dissolution of County Service Area 56.

BACKGROUND:

State law requires the Executive Officer to prepare an Impartial Analysis of all ballot measures for proposals approved by the Commission, Government Code Section 56898. Further, state law requires the Commission to review, modify if necessary, and approve the Impartial Analysis, with the final copy to be forwarded to the Registrar of Voters for inclusion within the ballot pamphlet. State law limits the Impartial Analysis to 500 words or less, a monumental task for LAFCO staff.

Attached is the draft Impartial Analysis for LAFCO 3202, coming in at 482 words excluding the title and without a signature block. It is the staff's recommendation that the Commission review the analysis, make changes, as appropriate, keeping under the 500 word limit, and adopt the analysis for inclusion in the March 7, 2017 ballot pamphlet.

KRM

Attachment

**IMPARTIAL ANALYSIS OF THE PROPOSED
FORMATION OF THE WRIGHTWOOD COMMUNITY SERVICES
DISTRICT AND THE DISSOLUTION OF COUNTY SERVICE AREA 56
(LAFCO 3202)**

This is a ballot measure to determine if the registered voters within the community of Wrightwood located in both San Bernardino and Los Angeles Counties wish to create a locally-governed community services district authorized to provide park and recreation, streetlighting, solid waste, and wastewater planning and engineering services.

The area proposed for formation of the Wrightwood Community Services District (WCSD) encompasses approximately 17 square miles (10,866+/- acres) located in the San Gabriel Mountains generally along the Angeles Crest Highway (State Route 2) east and west of the Los Angeles/San Bernardino County line. The area is located east of the unincorporated community of Big Pines and west of State Route 138 in the Angeles National Forest, and south of the Phelan Pinon Hills CSD. The map and legal description of the proposed District boundaries are on file in the office of the Local Agency Formation Commission for San Bernardino County (LAFCO) and on its website at www.sbclafco.org.

The essence of this formation proposal is to:

1. Create the WCSD, an independent special district governed by a five-member Board of Directors, to assume the responsibilities and all functions, obligations, assets, liabilities, and equipment of the former agency County Service Area 56 (CSA 56); and,
2. Transfer responsibility for existing operations of park and recreation, streetlighting and solid waste services within the community to the new agency and to provide for the authority related to wastewater planning and engineering should such service be required by the State of California, Lahontan Regional Water Quality Control Board.

No change in property tax rates will occur as a result of the approval of LAFCO 3202; however, property owners within the Los Angeles County portion of the proposal will be included in the existing solid waste land use fee of \$85.14 per parcel per year. Revenues for the new District will accrue primarily from the receipt of the existing property tax revenues previously distributed to CSA 56 (for park and recreation and streetlighting services) and franchise fees and the existing Special Tax administered by the San Bernardino County Solid Waste Management Division for solid waste services. LAFCO has reviewed these revenues and the anticipated expenditures for the first five years of the agency's existence, determining that based upon the information available the formation of the WCSD is financially feasible.

Voters who believe that this new independent agency should be formed should vote "yes" on this measure. Voters who believe that the governmental structure for the identified services should remain unchanged should vote "no" on this measure.

Regardless of your position on the basic question of formation, voters should select five persons to serve on the District Board of Directors. If this formation receives a majority of “yes” votes, the five candidates receiving the most votes will take office as the new Board of Directors.

This impartial analysis was approved by the Local Agency Formation Commission on November 16, 2016.

**LOCAL AGENCY FORMATION COMMISSION
FOR SAN BERNARDINO COUNTY**

215 North D Street, Suite 204, San Bernardino, CA 92415-0490
(909) 388-0480 • Fax (909) 885-8170
E-MAIL: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE : NOVEMBER 8, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer



TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #7 – Six Month Update on the City of Rialto’s Initiation
of its Five North Rialto Islands

RECOMMENDATION:

Staff recommends that the Commission note receipt of the update and file.

BACKGROUND:

At the May 18, 2016 LAFCO hearing, the Commission approved LAFCO 3201, the reorganization that included the annexation of Lytle Creek Ranch Specific Plan (portion) into the City of Rialto, including adoption of Resolution No. 3222 setting forth the Commission’s conditions and determinations (copy included as Attachment #1). Unique to this proposal was a condition, which was discussed at great length during the LAFCO hearing, requiring the City of Rialto to annex its five “North Rialto islands”. The condition, as approved by the Commission, reads as follows:

Condition No. 4. The City of Rialto shall be required to initiate the five North Rialto Islands identified on the map included as Exhibit “G” within one year of the Commission’s approval of LAFCO 3201. A resolution by the City Council of the City of Rialto shall be submitted to the Executive Officer of LAFCO outlining the City’s commitment to fulfilling this requirement prior to the issuance of the Certificate of Completion for LAFCO 3201. A status report shall be provided to the Commission at the six month date outlining the progress of the City of Rialto in fulfilling its obligation. Failure on the part of the City of Rialto to fulfill its commitment for annexation of the five North Rialto islands shall require that the next annexation proposed to the City of Rialto, either by the City through resolution or by property owner/registered voter petition, shall include the

condition requiring the initiation of the North Rialto islands with the condition of approval being deemed completed upon the issuance of the Certificate(s) of Filing for the Islands either individually or as a reorganization;

LAFCO staff is providing the Commission with the required six-month update on the status of the City's compliance with the condition outlined above.

DISCUSSION:

In response to staff's request for an update on fulfilling its obligation, City of Rialto staff indicated it was taking an item to its City Council at its November 8 Council meeting (copy included as Attachment #2), requesting the Council to authorize the commencement of the process. That process is to initiate the annexation of the five islands, including the various special requirements for an island annexation as required by LAFCO policy. Below is the 10-point action plan/timeline that the City states will be accomplished in the next six months, as outlined in its Council staff report:

Task	Timeline
1. Land Survey to identify parcels and property owners with photographs	Nov. – Dec. 2016
2. Update Plan for Services including Infrastructure Needs Assessment and Fiscal Impact Analysis	January 2017
3. Present Survey, Infrastructure and Plan for Services to Economic Development Committee (EDC), and City Council	January 2017
4. Identify Annexation Task Force members	February 2017
5. Prepare social media information for distribution and web access including an "Annexation Myths" fact sheet	February 2017
6. Host a series of public information meetings throughout the community	March 2017
7. Prepare LAFCO annexation application	March 2017
8. Schedule Pre-Annexation application for review by the EDC and Planning Commission	March 2017
9. Schedule Pre-Annexation application for review by the City Council	April 2017
10. File annexation application with LAFCO	May 2017

Although the timeline looks overly aggressive, in LAFCO staff's view, the island annexation process can be accomplished so long as the City does not miss any of its target dates. The key considerations to meet this timeline are outlined as follows:

LAFCO Island Annexation Policy

The most important item on the timeline that LAFCO staff is concerned about is the community outreach efforts that the City is planning to conduct sometime in March 2017.

Pursuant to the Commission's Island Annexation policies, one of the requirements is for the City "...to have conducted a public relations/education effort within the affected area..." (Policy 11(b), Section 4, Application Processing, San Bernardino LAFCO Policy and Procedure Manual) and "*documentation of the City's outreach efforts will be presented to the Commission as part of its consideration of the island(s)*". Therefore, it is pertinent that the City conduct its outreach efforts in a timely manner and provide LAFCO staff with all the documentation related to its outreach program (i.e. handouts, notice of community meeting, etc.). It is staff's expectation that the City will invite LAFCO staff to participate in its community outreach program. Also, one of the items that the City is planning to prepare is a fact sheet regarding "Annexation Myths". Again, it is LAFCO staff's expectation that the City will provide LAFCO staff the opportunity to review such fact sheet before it is provided to the public.

Finally, one other item that the City identified in its staff report (not a part of its 10-point action plan) is the requirement to pre-zone the areas to be annexed. LAFCO staff's concerns related to this are twofold:

1. LAFCO staff is concerned that the staff report identifies that the City's requirement is to automatically assign annexed areas an "R-1 A" single-family zone and that the City is pre-zoning the islands as such. For Islands 1, 2, 3, and 5, LAFCO staff does not believe this poses any issues since these four islands are all built-out. If the City moves forward with pre-zoning the entirety of Island 4 as Single Family Residential R-1 A, State law requires that this pre-zone designation hold for a period of two years after the annexation.
2. Pre-zoning the island areas could be a time consuming process that could delay the City's filing should a general plan amendment be required. However, as noted above, four of the five islands are fully developed. Pursuant to Government Code Section 56375(a)(7), if the City can provide evidence that the existing developments within these four islands are fully vested (or are already built-out) and are consistent with the City's General Plan no pre-zoning would be required. This would save some processing time for the City since it will only have to pre-zone Island 4.

CONCLUSION:

Based on the timeline the City is proposing in its 10-point action plan, LAFCO staff believes the condition to initiate the annexation of the five North Rialto islands could be accomplished within the required one year after approval of LAFCO 3201. Therefore, staff is recommending that the Commission take the action outlined on page one of this staff report and continue to monitor the City's initiation process to annex its five North Rialto islands as outlined in the condition through adoption of LAFCO Resolution No. 3222.

KRM/sm

Attachment:

1. LAFCO Resolution No. 3222
2. November 8, 2016 City Council Agenda Item Related to Begin the Process of Initiating the Five North Rialto Islands

LAFCO Resolution No. 3222

Attachment 1

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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PROPOSAL NO.: LAFCO 3201

HEARING DATE: MAY 18, 2016

RESOLUTION NO. 3222

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY MAKING DETERMINATIONS ON LAFCO 3201 AND APPROVING THE REORGANIZATION TO INCLUDE ANNEXATIONS TO THE CITY OF RIALTO AND THE WEST VALLEY WATER DISTRICT AND DETACHMENTS FROM THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT AND ITS VALLEY SERVICE ZONE, THE FONTANA FIRE PROTECTION DISTRICT, COUNTY SERVICE AREA SL-1 AND COUNTY SERVICE AREA 70 (LYTLE CREEK RANCH), AS MODIFIED. (The reorganization area includes seven separate areas generally located along the Lytle Creek Wash area, northerly of the 210 Freeway, easterly of Riverside Avenue, and southerly of the I-15 Freeway, within the City of Rialto's northern sphere of influence.)

On motion of Commissioner Ramos, duly seconded by Commissioner Williams, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, an application for the proposed reorganization in the County of San Bernardino was filed with the Executive Officer of this Local Agency Formation Commission (hereinafter referred to as "the Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.), and the Executive Officer has examined the application and executed her certificate in accordance with law, determining and certifying that the filings are sufficient; and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by the Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was called for May 18, 2016 at the time and place specified in the notice of public hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written support and/or opposition; the Commission considered all plans and proposed changes of

RESOLUTION NO. 3222

organization and all evidence which were made, presented, or filed; it received evidence as to whether the territory is inhabited or uninhabited, improved or unimproved; and all persons present were given an opportunity to hear and be heard in respect to any matter relating to the application, in evidence presented at the hearing;

WHEREAS, the Commission determines to modify this proposal to include the detachment from Fontana Fire Protection District as a function of the reorganization;

NOW, THEREFORE, BE IT RESOLVED, by the Local Agency Formation Commission for San Bernardino County, State of California, that the Commission does hereby determine, find, resolve, and order, as follows:

DETERMINATIONS:

SECTION 1. The proposal is approved subject to the terms and conditions hereinafter specified:

CONDITIONS:

Condition No. 1. The boundaries are approved as set forth in Exhibits "A", "A-1", "B", "B-1", "C", "C-1", "D", "D-1", "E", "E-1", "F", and "F-1" attached.

Condition No. 2. The following distinctive short-form designation shall be used throughout this proceeding: LAFCO 3201.

Condition No. 3. All previously authorized charges, fees and/or assessments currently in effect by the City of Rialto and the West Valley Water District (annexing agencies) shall be assumed by the annexing territory in the same manner as provided in the original authorization pursuant to Government Code Section 56886(t).

Condition No. 4. The City of Rialto shall be required to initiate the five North Rialto Islands identified on the map included as Exhibit "G" within one year of the Commission's approval of LAFCO 3201. A resolution by the City Council of the City of Rialto shall be submitted to the Executive Officer of LAFCO outlining the City's commitment to fulfilling this requirement prior to the issuance of the Certificate of Completion for LAFCO 3201. A status report shall be provided to the Commission at the six month date outlining the progress of the City of Rialto in fulfilling its obligation. Failure on the part of the City of Rialto to fulfill its commitment for annexation of the five North Rialto Islands shall require that the next annexation proposed to the City of Rialto, either by the City through resolution or by property owner/registered voter petition, shall include a condition requiring the initiation of the North Rialto Islands. Said condition of approval shall be deemed complete upon the City's filing of an application(s) to annex the five North Rialto Islands and the Executive Officer's issuance of a Certificate(s) of Filing for said application(s).

Condition No. 5. The City of Rialto shall indemnify, defend, and hold harmless the Local Agency Formation Commission for San Bernardino County from any legal expense, legal action, or judgment arising out of the Commission's approval of this proposal, including any reimbursement of legal fees and costs incurred by the Commission.

RESOLUTION NO. 3222

Condition No. 6. Pursuant to Government Code Section 56886.1, public utilities, as defined in Section 216 of the Public Utilities Code, have ninety (90) days following the recording of the Certificate of Completion to make the necessary changes to impacted utility customer accounts.

Condition No. 7. The date of issuance of the Certificate of Completion shall be the effective date of this reorganization.

SECTION 3. The Commission determines that approval of LAFCO 3201 will make the existing unincorporated “El Rancho Verde” community completely surrounded by the City of Rialto. Since the entire reorganization area of LAFCO 3201 is a master planned community that cannot be developed unless the area is annexed, the Commission determines, pursuant to the provision of Government Code Section 56375(m), to waive the restrictions on the creation of a totally surrounded island contained within Government Code Section 56744 because it would be detrimental to the orderly development of the community and it further determines that the area to be surrounded cannot reasonably be annexed to another city or incorporated as a new city.

SECTION 4. DETERMINATIONS. The following determinations are required to be provided by Commission policy and Government Code Section 56668:

1. The reorganization area is legally uninhabited, containing zero (0) registered voter as of October 14, 2015, as certified by the County Registrar of Voters Office.
2. The County Assessor’s Office has determined that the total assessed value of land and improvements within the reorganization area is \$10,294,424 (land--\$9,187,660; improvements--\$1,106,764) as of November 5, 2015.
3. The reorganization area is within the spheres of influence assigned the City of Rialto and the West Valley Water District.
4. Notice of this hearing has been advertised as required by Law through publication in *The Sun*, a newspaper of general circulation within the area. As required by State law, individual notification was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice. Comments from any affected local agency have been received by the Commission.
5. In compliance with the requirements of Government Code Section 56157 and Commission policy, individual notice was mailed to landowners (totaling 6 notices) within the reorganization area. Individual notice was also mailed to surrounding landowners and registered voters (3,144) within approximately 1,350 feet of the exterior boundaries of the reorganization area. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination.
6. The City of Rialto pre-zoned the reorganization area through its approval process as the “Lytle Creek Ranch Specific Plan” with the following underlying specific plan zone designations: Single-Family Residential One (SFR-1), Single-Family Residential Two

RESOLUTION NO. 3222

(SFR-2), Single-Family Residential Three (SFR-3), Multi-Family Residential (MFR), High Density Residential (HDR), Elementary/Middle School (ES/MS), Open Space/Recreation, and Open Space (undisturbed). These pre-zone/specific plan zone designations are consistent with the City's General Plan and surrounding land uses within the City and in the County. Pursuant to the provisions of Government Code Section 56375(e), these pre-zone designations shall remain in effect for two years following annexation unless specific actions are taken by the City Council.

7. A Complete Final Environmental Impact Report (EIR) was prepared and certified as adequate by the City of Rialto for its approval of Annexation No.170, General Plan Amendment No. 29, Specific Plan No. 12, and the Pre-Annexation and Development Agreement for the Lytle Creek Ranch Specific Plan (SCH No. 2009061113). Copies of the applicable environmental review documents were previously provided to the Commission. The Commission, its staff, and its Environmental Consultant have independently reviewed the City's Complete Final EIR and found it to be adequate for the reorganization decision.

The Commission certifies that it has reviewed and considered the City's Complete Final EIR and the effects outlined therein, and as referenced in the Facts, Findings and Statement of Overriding Considerations, prior to reaching a decision on the project and finds the information substantiating the Complete Final EIR adequate for its use in making a decision as a CEQA responsible agency. The Commission hereby acknowledges the mitigation measures and mitigation monitoring and reporting program contained in the City's Complete Final EIR and finds that no additional feasible alternatives or mitigation measures will be adopted by the Commission. The Commission finds that all changes, alterations, and mitigation measures are within the responsibility and jurisdiction of the City and other agencies, and not the Commission. The Commission finds that it is the responsibility of the City to oversee and implement these measures and the mitigation monitoring and reporting program.

The Commission hereby adopts the Facts, Findings and Statement of Overriding Considerations regarding the environmental effects of the reorganization (a copy of which is attached as Exhibit H). The Commission finds that all feasible changes or alterations have been incorporated into the project; that these changes are the responsibility of the City and other agencies identified in the Facts, Findings and Statement of Overriding Considerations and the Complete Final EIR; and that specific economic, social or other considerations make infeasible adoption of the alternatives identified in the Complete Final EIR.

The Commission directs its Executive Officer to file a Notice of Determination within five (5) days within the San Bernardino County Clerk of the Board of Supervisors. The Commission, as a responsible agency, also notes that this proposal is exempt from the California Department of Fish and Wildlife fees because the fees were the responsibility of the City of Rialto as the CEQA lead agency.

8. The Southern California Associated Governments (SCAG) adopted its 2016-2040 Regional Transportation Plan and Sustainable Communities Strategy (RTP-SCS) pursuant to Government Code Section 65080. LAFCO 3201 includes the southern portion of the I-15 Freeway, which is part of the RTP-SCS's State highway

RESOLUTION NO. 3222

improvement (expansion/rehabilitation) program adding two express lanes in each direction for completion by 2030 and adding high-occupancy vehicle (HOV) lane in each direction for completion by 2039. The Sustainable Communities Strategy also include, among others, determinations related to the need for residential densities and housing for all segments of the population, which approval of LAFCO 3201 will support.

9. The local agencies currently serving the area are: County of San Bernardino, Inland Empire Resource Conservation District, San Bernardino Valley Municipal Water District, San Bernardino County Fire Protection District and its Valley Service Zone, Fontana Fire Protection District (portion), West Valley Water District (portion), County Service Area SL-1 (streetlights)(portion), and County Service Area 70 (multi-function unincorporated area Countywide).

The proposal area will be detached from the San Bernardino County Fire Protection District, its Valley Service Zone, Fontana Fire Protection District, County Service Area SL-1 and County Service Area 70 as a function of the reorganization. None of the other agencies are affected by this proposal as they are regional in nature.

10. The City of Rialto and the West Valley Water District have submitted plans for the provision of services as required by Government Code Section 56653, which indicate that the City of Rialto and the West Valley Water District can improve the level and range of services currently available in the area. The financial information presented within the City's Plan for Service indicates that the extension of services can be maintained and operated within the existing revenue resources available through the transfer of property tax revenues and existing fees for service. These Plans for Service have been reviewed and compared with the standards established by the Commission and the factors contained within Government Code Section 56668. The Commission determines that these plans conform to those adopted standards and requirements.
11. The reorganization area will benefit from the availability of services from the City of Rialto and the West Valley Water District and has benefitted from the delivery of fire protection and emergency medical response services from the City (through its contract with the San Bernardino County Fire Protection District to provide the service) as evidenced by the Plans for Service.
12. This proposal complies with State directives and Commission policies that indicate the preference for areas proposed for future development at an urban-level land use to be included within a City so that the full range of municipals services can be planned, funded, extended and maintained.
13. This proposal will assist in the City's ability to achieve its fair share of the regional housing needs as it proposes the addition of 619 single-family units, 563 multi-family units, and 2,005 senior single-family units, for a total of 3,187 residential units.
14. With respect to environmental justice, the following profile was generated using ESRI's Community Analyst with regard to race and income within the City of Rialto and within areas adjacent to the reorganization area (2015 population data):

RESOLUTION NO. 3222

The City of Rialto has a citywide population of 70.7 percent that is of Hispanic origin. Based on information taken from the adjacent unincorporated El Rancho Verde and Rosena Ranch communities, said areas have an Hispanic origin population of 50.1 percent and 48 percent, respectively, which are lower than the City's overall data. With regard to income, the City of Rialto has a citywide median household income of \$49,205. Again, based on information taken from the two adjacent unincorporated communities, said areas reflects a higher median household income of \$75,499 and \$76,024, respectively.

Therefore, LAFCO staff believes that the reorganization area would benefit from the extension of services and facilities from the City of Rialto and the West Valley Water District and, at the same time, would not result in unfair treatment of any person based on race, culture or income.

15. The County of San Bernardino and the City of Rialto have successfully negotiated a transfer of property tax revenues that will be implemented upon completion of this reorganization. This negotiated agreement fulfills the requirements of Section 99 of the Revenue and Taxation Code. Renegotiation of the property tax transfer may be requested due to the Commission's modification to include the detachment from the Fontana Fire Protection District, which receives a share of the ad valorem tax. This process is outlined in Revenue and Taxation Code Section 99(b)(7).
16. The maps and legal descriptions, as revised, are in substantial compliance with LAFCO and state standards through certification by the County Surveyor's Office.

SECTION 5. Approval by the Local Agency Formation Commission indicates that completion of this proposal would accomplish the proposed change of organization in a reasonable manner with a maximum chance of success and a minimum disruption of service to the functions of other local agencies in the area.

SECTION 6. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner provided by Section 56882 of the Government Code.

SECTION 7. The Commission hereby directs that, following completion of the reconsideration period specified by Government Code Section 56895(b), the Executive Officer is hereby directed to initiate protest proceedings in compliance with this resolution and State law (Part 4, commencing with Government Code Section 57000) and set the matter for consideration of the protest proceedings, providing notice of hearing pursuant to Government Code Sections 57025 and 57026.

SECTION 8. Upon conclusion of the protest proceedings, the Executive Officer shall adopt a resolution setting forth her determination on the levels of protest filed and not withdrawn and setting forth the action on the proposal considered.

SECTION 9. Upon adoption of the final resolution by the Executive Officer, either a Certificate of Completion or a Certificate of Termination, as required by Government Code Sections 57176 through 57203, and a Statement of Boundary Change, as required by Government Code Section 57204, shall be prepared and filed for the proposal.

RESOLUTION NO. 3222

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission for San Bernardino County by the following vote:

AYES: COMMISSIONERS: Bagley, Cox, Curatalo, Lovingood, McCallon
Ramos Williams

NOES: COMMISSIONERS: None

ABSENT: COMMISSIONERS: None

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, KATHLEEN ROLLINGS-MCDONALD, Executive Officer of the Local Agency Formation Commission for San Bernardino County, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission by vote of the members present as the same appears in the Official Minutes of said Commission at its regular meeting of May 18, 2016.

DATED: May 19, 2016


KATHLEEN ROLLINGS-McDONALD
Executive Officer



**November 8, 2016 City Council
Agenda Item Related to
Begin the Process of Initiating the
Five North Rialto Islands**

Attachment 2



Legislation Details (With Text)

File #: 16-730 Version: 1 Name: D.2
 Type: Agenda Item Status: Agenda Ready
 File created: 10/18/2016 In control: City Council
 On agenda: 11/8/2016 Final action:
 Title: Request City Council to Set a Public Hearing for November 22, 2016, to initiate the filing process with the San Bernardino County Local Agency Formation Commission (LAFCO) to Annex five County Islands from the Rialto sphere of influence in Unincorporated San Bernardino County to the City of Rialto (Annexation No. 171).
 Sponsors: Development Services Department, Gina Gibson
 Indexes:
 Code sections:
 Attachments: [Five North Rialto Islands](#)
[4-11-2016 DRAFT Rialto Islands Plan for Service and Fiscal Analysis \(2\)](#)
[Reso 3222](#)

Date	Ver.	Action By	Action	Result
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For City Council Meeting [November 8, 2016]

TO: Honorable Mayor and City Council

APPROVAL: Michael E. Story, City Administrator

FROM: Robb R. Steel, Assistant CA/Development Services Director

Request City Council to Set a Public Hearing for November 22, 2016, to initiate the filing process with the San Bernardino County Local Agency Formation Commission (LAFCO) to Annex five County Islands from the Rialto sphere of influence in Unincorporated San Bernardino County to the City of Rialto (Annexation No. 171).

BACKGROUND:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs annexations (Section 56000 et seq. of the Government Code). There are nine (9) county islands in the City:

Area	No. of Parcels
1	120
2	94
3	271
4	129
5	2
6	36
7	4
8	1
9	30
Total:	687

When the LAFCO Commission approved the Lytle Creek Annexation (Annexation No. 170/ LAFCO 320) they conditioned the City to annex five (Exhibit 'A') of the nine unincorporated county islands on or before May 18, 2017 (LAFCO Resolution No. 3229).

ANALYSIS:

Resolution of Application by City

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, codified as Government Code Sections 56000 et seq., governs annexation of unincorporated areas to a city. Government Code Section 56654 requires that the City Council of Rialto to adopt a resolution to initiate the application process for the Annexation Area. The City must then submit a resolution of application to the San Bernardino Local Agency Formation Commission (LAFCO) along with a plan for services.

Pre-Zoning

LAFCO requires that the City pre-zone all proposed annexation areas prior to filing. Section 18.02.080 of the Rialto Municipal Code states that newly annexed areas are automatically placed in the "R-1 A" single-family zone, and shall remain in that zone until the land use zoning map for the area has been adopted by the Planning Commission and City Council. The Planning Division will prepare a zone change application to pre-zone the island areas as Single Family Residential R-1A in accordance with the Code. The zoning designation will become effective upon filing of the Certificate of Completion by LAFCO.

Action Plan

The Planning Division developed a 10-point action plan to facilitate the annexation process:

Task		Responsibility	Tentative Timeframe
1	Land Survey to identify parcels and property owners with photographs	Planning Division	November - December 2016
2	Update Plan for Services including Infrastructure Needs Assessment & Fiscal Impact Analysis	Consultant	January 2017
3	Present Survey, Infrastructure and Plan for Services to Economic Development Committee, Commissions and City Council	Planning Division	
4	Identify Annexation Task Force members	Economic Development Committee/Planning Division	February 2017
5	Prepare social media information for distribution and web access including an "Annexation Myths" fact sheet	Planning Division	
6	Host a series of public information meetings throughout the community	Planning Division/ Task Force	March 2017
7	Prepare LAFCO annexation application and California Environmental Quality Act document	Planning Division	March 2017
8	Schedule Pre-Annexation application for review by the EDC and Planning Commission	Planning Division	March 2017
9	Schedule Pre-Annexation application for review by the City Council	Planning Division	April 2017

Task		Responsibility	Tentative Timeframe
10	File annexation application with LAFCO	Planning Division	May 2017

The target date for submission to LAFCO is May of 2017.

Community Outreach

Item number 6 of the action plan tasks the City with a series of community meetings to inform stakeholders about the annexation process, introduce the annexation task force and answer any questions from stakeholders and the general public.

Task Force

A task force consisting of one team member from the following Divisions and Departments is needed to facilitate the annexation process:

- Rialto Police Department
- Rialto Fire Department
- Development Services - Planning
- Development Services - Building
- Development Services - Code Enforcement
- Administrative and Community Services - Finance
- Administrative and Community Services - IT
- Public Works

Task force team members will be responsible for responding to inquires during the annexation process and implementation for the respective fields of expertise when the boundaries are modified.

ENVIRONMENTAL IMPACT:

Filing an annexation application is not a “Project” as defined by CEQA and is therefore not subject to further environmental review. Pursuant to Section 15378 of the CEQA Guidelines, a “project” means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. A project does not include administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY:

The General Plan covers the entire City of Rialto and its sphere of influence.

The sphere of influence is an unincorporated area within the jurisdiction of the County of San Bernardino that may have a bearing on planning activities in Rialto. The islands are located in the sphere of influence areas. This request is consistent with the following goals and polices of the Rialto General Plan:

- Goal 2-6: Encourage the annexation of San Bernardino County unincorporated areas into Rialto.
 - Policy 2-6.1: Work with the County of San Bernardino to require that the City of Rialto’s building and zoning regulations be applied to new development within unincorporated County islands and other areas within Rialto’s Sphere of Influence.
- Goal 2-7: Encourage all annexations that will provide a positive benefit to the City.
 - Policy 2-7.1: Require an approved specific plan for all new large unincorporated areas of vacant land prior to annexation into Rialto.
 - Policy 2-7.2: Require a fiscal impact statement for any new large planned development to ensure that Rialto receives financial benefit from annexation.

- Policy 2-7.3: Require sufficient impact fees on new planned development to assure timely construction of public facilities and provision of expanded City services.
- Policy 2-7.4: Require that land be set aside for community parks and other public facilities as appropriate for any large planned development.

LEGAL REVIEW:

The City Attorney reviewed and approved the Plan for Services and the agenda report.

FINANCIAL IMPACT:

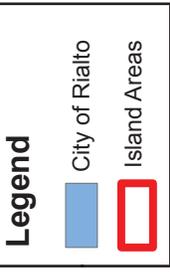
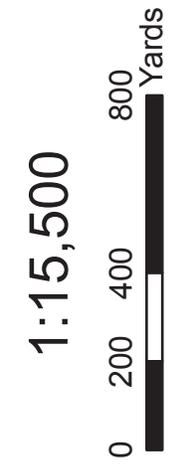
Annexation of Sphere of Influence Areas into Rialto poses the following issues:

1. Operating Budget Impacts. The islands produce an annual operating deficit to the City of Rialto of \$518,000 to \$798,000, depending upon the status of the utility tax.
2. Neighborhood Infrastructure Deficiencies. The Public Works Department estimated the cost of upgrading localized infrastructure to current Rialto standards at \$8.1 million (current \$). The City's Development Agreement with Lytle Creek contributes \$630/unit toward these deficiencies for a total contribution of \$3,943,800 (non-discounted) at project build out. There remains a significant gap between needed infrastructure and available funding.
3. The North Rialto Islands will result in major operating budget Impacts. The islands produce an *annual operating deficit to the City of Rialto of \$518,000 with the utility tax and \$798,000 without the utility tax*. A significant portion of the operating deficit relates to fire service and the County CAO has proposed mitigation that is still in discussion.
4. Neighborhood Infrastructure Deficiencies. Constituents in newly annexed areas expect infrastructure and service level improvements as a benefit of annexation. The Rialto Public Works Department estimated the *cost of upgrading localized infrastructure to current Rialto standards at \$8.1 million*. Rialto anticipated a cost to correct the deficiency by including a developer contribution of \$630/unit in the Development Agreement. However, the \$3,943,800 (2.8 million in present value dollars) at project build out will leave a significant gap between needed infrastructure and available funding.
5. Immediate decrease in service levels threatening the public convenience, health and general welfare of Rialto citizens. The need for capital facilities is based upon a per capita standard. Adding the population from the islands will not only increase the scale of required facilities, it will create an immediate and irreparable deficiency for the following capital facilities including but not limited to: fire, police, and parks. *Off-site requirements total \$11.2 million based on our current development impact fees and the existing unit count within the island areas*.

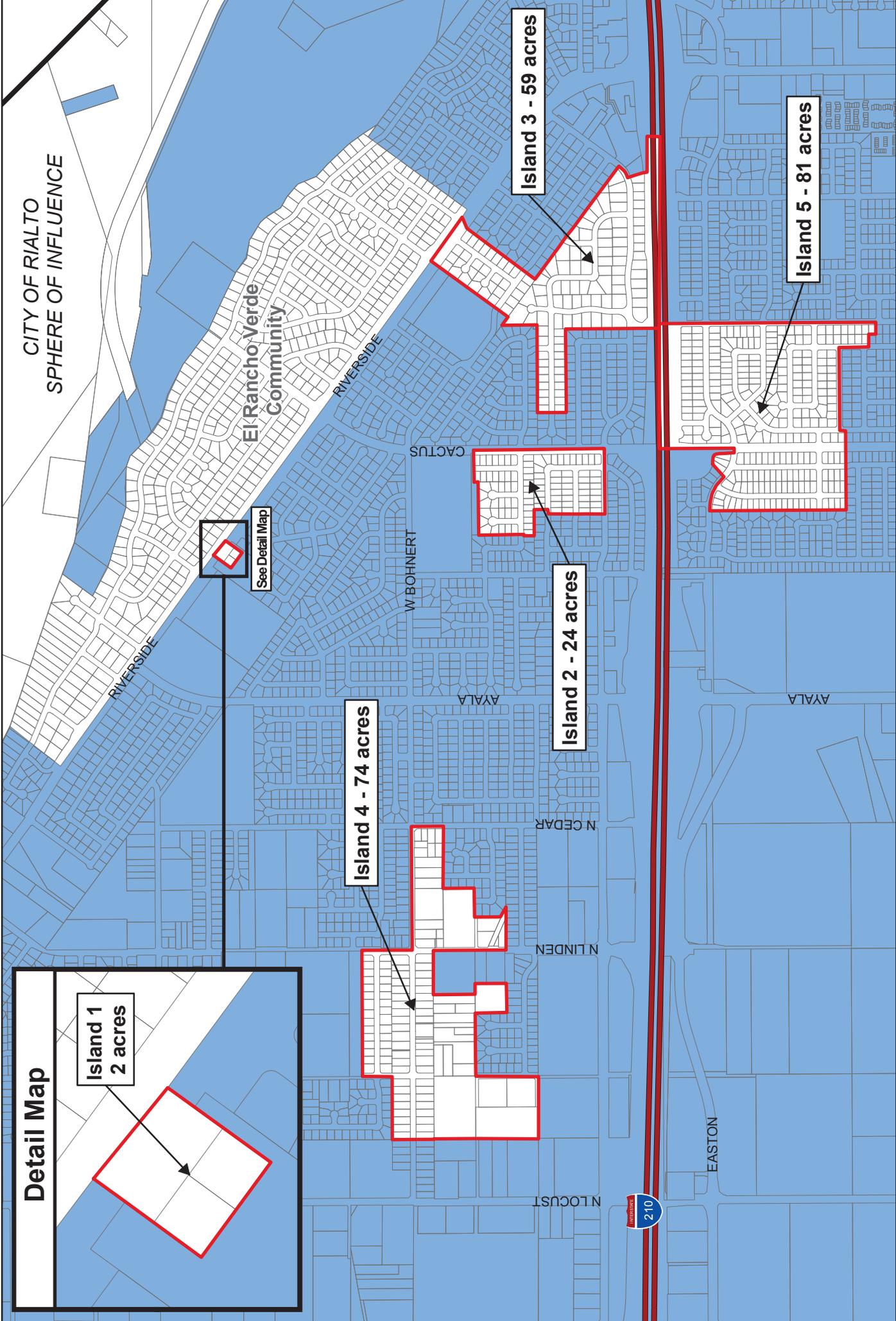
The annexation request will include the CEMEX cement property, which may have a positive contribution toward the annexation burdens.

RECOMMENDATION:

Staff recommends that the City Council Set the Public Hearing for November 22, 2016.



Five North Rialto Islands



Detail Map

Island 1
2 acres

See Detail Map

Island 4 - 74 acres

Island 2 - 24 acres

Island 3 - 59 acres

Island 5 - 81 acres

CITY OF RIALTO
SPHERE OF INFLUENCE

El Rancho Verde
Community

RIVERSIDE

RIVERSIDE

CACTUS

W BOHNERT

AYALA

N CEDAR

N LINDEN

N LOCUST

EASTON



LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE : NOVEMBER 8, 2016

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer
SAMUEL MARTINEZ, Assistant Executive Officer



TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #8 – Relocation of Commission Hearings

RECOMMENDATION:

Staff recommends that the Commission:

1. Authorize LAFCO staff to negotiate with the San Bernardino Associated Governments on utilizing its meeting room, located adjacent to the First Floor Lobby of the Santa Fe Depot, for the Commission's monthly hearings;
2. If negotiations regarding the use of the San Bernardino Associated Governments meeting room do not come to fruition, authorize LAFCO staff to negotiate with either the City of Rancho Cucamonga or the City of Fontana, or any other entity the Commission wishes to consider for its hearings; and,
3. Authorize LAFCO staff to negotiate a new contract with the Inland Empire Media Group of the City of San Bernardino to continue to provide video production and technical operator services for the Commission hearings at the new meeting location.

BACKGROUND:

Since 2006, the Commission has held its hearings at the City of San Bernardino's City Council chambers located on the first floor of 300 North D Street in San Bernardino. However, during October LAFCO staff was informed by the City that all of City Hall will be moving out of the building by early next year due to the seismic retrofitting required for the building. The City itself is not certain if the move will be temporary or permanent since it is still considering whether it is worth fixing or whether moving to a different facility due to the costs is a better option. Nonetheless, the City has indicated that the

Commission will retain access to the Council chambers for its hearing in December 2016 and (possibly) January 2017.

Based on this change in circumstance, staff began considering other options for a permanent location to conduct the Commission's hearings. In reviewing the various facilities available, staff's primary consideration was accessibility of the facility and the ability to seat all members of the Commission. The options reviewed are:

- **San Bernardino Associated Governments Meeting Room**
San Bernardino Train Depot, 1170 West 3rd Street, San Bernardino

The San Bernardino Associated Governments (hereafter SANBAG) Board of Directors meetings are held in the SANBAG meeting room located on the first floor of the Santa Fe Depot. This facility is easily accessible from the I-215 Freeway (via 2nd Street) as well as via Metrolink for those coming from the west end of the County. The meeting room is currently arranged with tables placed in a hollow rectangular conference-style setup, which can easily accommodate all the Commission members, its Legal Counsel, its Environmental Consultant, and the entire LAFCO staff around the tables. SANBAG recently contracted with the Inland Empire Media Group (hereafter IEMG) for its video production services, which is the same group LAFCO currently uses for its video recordings. The one issue is whether or not SANBAG would consider a permanent additional use of this facility.

- **City of Fontana City Council Chambers**
8353 Sierra Avenue, Fontana

The City of Fontana's City Council chambers is a few miles west of the City of San Bernardino and is accessible either from the I-10 Freeway or the I-210 Freeway (via Sierra Avenue). The dais currently has 12 chairs, which can accommodate all the Commission members and its Legal Counsel. Another table to the side could seat the Executive Officer. The rest of the LAFCO staff can seat in any of the public seating area. For video production, LAFCO can either contract with the City of Fontana since it currently provides its own video production services to its Council chambers or still use IEMG, provided the City allows such an arrangement. LAFCO staff has posed the question to City staff regarding the ability to use this facility on a long term basis.

- **City of Rancho Cucamonga City Council Chambers**
10500 Civic Center Drive, Rancho Cucamonga

The City of Rancho Cucamonga City Council chambers is further west and is accessible either from the I-10 Freeway or the I-210 Freeway (via Haven Avenue), or the I-15 Freeway (via Foothill Boulevard). The dais is similar to that of the City of San Bernardino's setup with seven chairs and another set of six chairs fronting the dais. Again, this can easily accommodate the regular Commission members at the dais and the alternate Commission members, its Legal Counsel, and the Executive

Officer seated fronting the dais. Again, the rest of the LAFCO staff can seat in any of the public seating area. In addition, the City of Rancho Cucamonga contracts with IEMG for its video production services; therefore, the Council chambers is already set up just like the City of San Bernardino with multiple cameras in the meeting room area. LAFCO staff has posed the question to City staff regarding the ability to use this facility on a long term basis.

DISCUSSION:

The first choice of staff would be moving the Commission's hearings to the SANBAG meeting room as the most practical of all options since the LAFCO office will be relocating to the Train Depot by next fiscal year. The SANBAG meeting room also offers the greatest flexibility since it has a seating capacity not only for all Commission members but also its Legal Counsel, its Environmental Consultant and the entire LAFCO staff. In addition, SANBAG recently contracted with IEMG for its video production services – although only for a single video camera. As a result, LAFCO can simply renegotiate its contract with IEMG for video production services for the new hearing location including the same services it currently provides SANBAG. The one potential issue is that this relocation may require a change in the Commission's hearing date. However, with the staff office move to the same facility this could be overcome.

Staff has reached out to SANBAG staff regarding LAFCO's needs for a new hearing location. SANBAG staff indicated that, from time to time, other agencies have requested to use their meeting room, but none on a continual basis. They've indicated that they will look into our request; however, as of the date of this report, have not provided LAFCO staff with any feedback.

At the same time, staff also reached out to the Cities of Fontana and Rancho Cucamonga. Both have indicated that an agreement to use their hearing chambers for the Commission's hearings can be arranged.

CONCLUSION:

Staff is recommending that the Commission authorize staff to continue to negotiate with SANBAG to move its monthly hearings to the SANBAG meeting room beginning January 2017 or as soon as possible and also negotiate with IEMG to provide video production service for the new hearing location.

KRM/sm