

**DRAFT – ACTION MINUTES OF THE – DRAFT
LOCAL AGENCY FORMATION COMMISSION
HEARING OF NOVEMBER 16, 2016**

REGULAR MEETING

9:00 A.M.

November 16, 2016

PRESENT:

COMMISSIONERS:

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

STAFF:

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

ABSENT:

| |
|-------------------------------------|
| Jim Curatalo |
| Janice Rutherford, Alternate |
| Aquanetta Warren, Alternate |

**CONVENE REGULAR SESSION OF THE LOCAL AGENCY FORMATION COMMISSION
– CALL TO ORDER – 9:04 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.

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 1. PRESENTATION OF RESOLUTION OF APPRECIATION TO REBECCA LOWERY:

Chair Cox reads a resolution of appreciation to Rebecca Lowery, long-time Clerk/Office Manager of San Bernardino LAFCO, noting her dedication and invaluable service to the Commission's work over the last 10 years.

Rebecca Lowery thanks the Commission and staff for their hard work and states that it has been an honor and privilege to work for LAFCO.

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 2. Approval of Minutes for Regular Meeting of October 19, 2016

ITEM 3. Approval of Executive Officer's Expense Report

ITEM 4. Ratify Payments as Reconciled for Month of October 2016 and Note Cash Receipts

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

Commissioner Ramos arrives at 9:15 A.M.

PUBLIC HEARING ITEMS

ITEM 5 CONSENT ITEMS DEFERRED FOR DISCUSSION:

None

ITEM 6 ADOPTION OF IMPARTIAL ANALYSIS FOR LAFCO 3202 – REORGANIZATION TO INCLUDE FORMATION OF WRIGHTWOOD COMMUNITY SERVICES DISTRICT, AND DISSOLUTION OF COUNTY SERVICE ARA 56

Commissioner Livingood recuses himself from discussion on this item and leaves the dais at 9:17 A.M.

Executive Officer McDonald explains that LAFCO is required to prepare an impartial analysis for LAFCO 3202 in 500 words or less. She states that the analysis describes what the electorate will be voting for and includes a general description of the proposal's boundaries. Ms. McDonald states that the proposed impartial analysis is 482 words in length and recommends Commission approval.

Chair Cox states that LAFCO writes in technical terms and questions whether the impartial analysis will be fully understood by the electorate.

Executive Officer McDonald states that staff tried to make the analysis readable for the lay person, but the creation of a new government is a highly technical process and there are certain components of the analysis which are required by law. She states that in addition to the impartial analysis, the ballot will contain arguments both for and against the proposal which will provide additional information for the public to better understand the proposal.

Chair Cox asks if there are any members from the public who wish to speak. There are none.

Commissioner Bagley moves approval of Item 6, second by Commissioner McCallon. There being no opposition, the motion passes unanimously with the following roll call vote: Ayes: Bagley, Cox, Farrell, McCallon, Ramos and Williams. Noes: None. Abstain: Lovingood. Absent: Jim Curatalo (Mr. Farrell voting in his stead).

Commissioner Lovingood returns to the dais at 9:21 A.M.

DISCUSSION ITEMS:

ITEM 7 SIX MONTH UPDATE ON THE CITY OF RIALTO'S INITIATION OF ITS FIVE NORTH RIALTO ISLANDS

Assistant Executive Officer Martinez presents the staff report. He states that on May 18, 2016, the Commission approved LAFCO 3201 which included annexation of a portion of the Lytle Creek Ranch Specific Plan into the City of Rialto. Mr. Martinez further states that a condition was placed within Resolution 3222 which requires the City of Rialto to initiate annexation of the five islands in north Rialto within one year of the approval of LAFCO 3201 and required staff to provide the Commission with a six-month status report on the City's progress in meeting this condition. He states that the staff report and presentation on this item constitute the six-month status report.

Assistant Executive Officer Martinez states that on June 6, 2016, the City of Rialto City Council adopted a resolution affirming its commitment to annex the five islands. He presents the City of Rialto's 10-Point Action Plan to the Commission and states that the condition to initiate the annexation of the five islands can be accomplished within the required one year after approval of LAFCO 3201.

Chair Cox asks if the Commission has any questions on this item.

Commissioner Lovingood asks if the sand and gravel operation site is included within the five islands.

Executive Officer McDonald states that the sand and gravel operation site is not within the five islands, but the site has been in the City of Rialto's sphere of influence for many years. She indicates that the City, should it choose to do so, can initiate annexation of the site separately under the standard annexation process.

Commissioner Lovingood asks if a third party financial analysis is required to evaluate the island annexations' fiscal impacts on the City and the County; to which Executive Officer McDonald states that once it receives and reviews the City's Plan of Service, and if there are significant issues raised, staff can request outside assistance to assist with the fiscal review, but there is no legal requirement to do so.

Commissioner Lovingood emphasizes the importance of LAFCO staff's participation in the community meetings scheduled for the Rialto island annexations.

Chair Cox asks if there are any members of the public who wish to speak on this item. There are none.

Chair Cox, on behalf of the Commission, acknowledges and files the status report on Item 7.

ITEM 8 RELOCATION OF COMMISSION HEARINGS

Executive Officer McDonald states that LAFCO staff was informed in early October that the City of San Bernardino staff will be moving out of the building where LAFCO's hearings are currently held in order to retrofit the building. She states that LAFCO's last hearing in the current hearing chamber will be for the January 2017 meeting.

Ms. McDonald indicates that staff has been exploring alternative meeting locations, including facilities at the San Bernardino Transportation Authority building, located adjacent to the First Floor Lobby of the Santa Fe Depot, the City of Fontana and the City of Rancho Cucamonga. She states that moving the Commission's hearing location may also involve a change in standard hearing dates. Ms. McDonald asks the Commission for the authority to negotiate with the San Bernardino Transportation Authority to secure a hearing room and, if that option does not materialize, the authority to negotiate for the use of meeting facilities with the City of Fontana or the City of Rancho Cucamonga. Ms. McDonald also asks for the authority to negotiate 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. She states that she will keep the Commission fully informed on this process.

Commissioner Ramos asks what the last date the Commission will be able to use the existing hearing chamber; to which Executive Officer McDonald states that the last hearing in the current meeting room will be held in January.

Chair Cox states that her preference is to move as soon as possible.

Commissioner Ramos asks if staff investigated using the meeting room at the San Bernardino International Airport; to which Executive Officer McDonald states that staff did not look at that facility. Commissioner Ramos requests that San Bernardino International Airport facility be added to the list of alternatives.

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

Commissioner McCallon moves approval of Item 6, amended to include the addition of the San Bernardino International Airport as an alternative site, 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: Jim Curatalo (Mr. Farrell voting in his stead).

INFORMATION ITEMS

ITEM 9 LEGISLATIVE UPDATE REPORT

Executive Officer McDonald states that there is no formal legislative update this month. She informs the Commission that she has been reappointed to the CALAFCO Legislative Committee and that the Committee's first meeting will be held in mid-December. Ms. McDonald requests that if any of the Commissioners have any LAFCO-related legislative issues to make her aware, and she can bring them before the Legislative Committee.

ITEM 10 EXECUTIVE OFFICER'S ORAL REPORT

a. Update on Committee formed related to LAFCO 3212

Executive Officer McDonald states that the committee formed to gather information related to LAFCO 3212 – the proposed consolidation of the Inland Empire Utilities Agency and the Chino Basin Conservation District - met on November 14th. She states that correspondence related to the committee's formation has been forwarded to the Commission for their review, including a November 10th letter from the Chino Basin Water Conservation District which indicates that they will not participate on the committee. Ms. McDonald states that the membership of the committee has been restricted to affected parties which include the Inland Empire Utilities Agency, the Chino Basin Water Conservation District, the Inland Empire Resource Conservation District, the County, and the County Flood Control District.

Ms. McDonald states that LAFCO staff was not initially apprised of a November 7th letter sent out by the Chino Basin Conservation District to all affected and interested parties which provided their update of LAFCO's progress LAFCO 3212, but did receive a copy of the correspondence after receiving letters from both the Monte Vista Water District and the City of Montclair requesting participation the committee. She states that she responded to both requests outlining the rationale for the existing committee structure and maintaining the limitation on participation.

Ms. McDonald states that the committee's November 14th meeting was productive, and that the committee agreed on a process and schedule. She indicates that the committee will gather information related to LAFCO 3212, the proposed consolidation of the Inland Empire Utilities Agency and the Chino Basin Conservation District, and three alternatives: (1) the transfer of basin management responsibilities to the Inland Empire Utilities Agency and water education services to the Inland Empire Resource Conservation District; (2) the transfer of basin management responsibilities to County Flood Control District and water education services to the Inland Empire Resource Conservation District; and (3) the status quo.

Executive Officer McDonald states that once the information on all of the alternatives is gathered, staff will hold a Department Review Committee-like meeting in which all interested parties will be asked to participate to go over the alternatives. She indicates that the committee will meet every three weeks, with the next meeting scheduled for December 12th, and that staff will provide the Commission with updates throughout this process.

b. Update on Relocation/Renovation Progress at Santa Fe Depot

Executive Officer McDonald states that the architect is in the process of preparing a package to go out for bid on the office space renovation. She states that LAFCO's current landlord has informed LAFCO staff that our current office space has been rented to the City of San Bernardino Clerk's Office as of July 1st. She states that she and Assistant Executive Officer Martinez are working closely with the architect and will keep the Commission apprised on any schedule conflicts.

c. New Proposals Received

Executive Officer McDonald states that although no new proposals have been received, it is expected that the City of Hesperia will file for annexation to the San Bernardino County Fire Protection District shortly, followed by the City of Upland. She states that City of Victorville is also considering an annexation application to County Fire. She indicates that all three have requested a July 1st effective date.

Ms. McDonald states that LAFCO's Fiscal Indicators Program has been updated and posted to the LAFCO website as of November 11th.

Ms. McDonald announces that Jim Curatalo has been elected as President of the CALAFCO Board of Directors, and that he conducted his first meeting at the October CALAFCO conference. Ms. McDonald also announces that the Southern Region of CALAFCO was awarded the 2016 Award for Government Leadership.

Executive Officer McDonald indicates that LAFCO staff will be partnering with CSDA staff to conduct a training session on special district law. She states that the session will be held at the Mojave Water Agency on December 8th, and it will provide an opportunity for some of the smaller districts to participate in the training. She also indicates that an invitation has been extended to anyone considering running for a seat on the Wrightwood Community Services District Board.

Ms. McDonald states that a Special Districts Formation Guide has been published by CALAFCO and is now posted on LAFCO's website. She indicates that Chair Cox and Executive Officer Carolyn Emery both participated in the committee that developed the guide which provides guidance on the formation of new districts and, once formed, how to guide districts toward success. Finally, Ms. McDonald also identifies a pamphlet published by CSDA regarding redevelopment agency oversight boards as a Commission reference.

Chair Cox expresses concern regarding newspaper articles about the proposed Hesperia annexation to County Fire and the apparent lack of understanding on the part of elected officials regarding the process.

Executive Officer McDonald states that Hesperia staff is well aware of the process and, in light of serious concerns raised by LAFCO over the initial application, a new Plan of Service is being prepared to address those concerns.

ITEM 11 COMMISSIONER'S COMMENTS

Chair Cox asks if there are any Commissioner comments.

Commissioner Smith announces his resignation from LAFCO due to his appointment to the Mojave Water Agency, and he expresses his appreciation to his fellow Commissioners and LAFCO staff.

Commissioner Bagley states that he reads the LAFCO staff reports via the internet and no longer needs CDs. He states he would like to have paper copies of the staff reports available at the meetings. Executive Officer McDonald states that she will look into the different options of providing documents to the Commission and will update the Commission accordingly.

Chair Cox expresses her best wishes for a wonderful Thanksgiving.

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 COMMISION, THE HEARING IS ADJOURNED AT 10:00 A.M.

ATTEST:

KATHLEEN ROLLINGS-McDONALD
Executive Officer

LOCAL AGENCY FORMATION COMMISSION

KIMBERLY COX, Chair