

**DRAFT - ACTION MINUTES OF THE
LOCAL AGENCY FORMATION COMMISSION
HEARING OF AUGUST 15, 2018**

REGULAR MEETING

9:00 A.M.

AUGUST 15, 2018

PRESENT:

COMMISSIONERS:

Regular Member	Alternate Member
Jim Bagley	Louisa Amis
Kimberly Cox	Steven Farrell
James Curatalo, Vice Chair	Acquanetta Warren
Larry McCallon	
James Ramos, Chair	
Diane Williams	

STAFF:

**Samuel Martinez, Executive Officer
Paula de Sousa Mills, LAFCO Legal Counsel
Michael Tuerpe, Project Manager
Jeffrey Lum, LAFCO Analyst
La Trici Jones, Clerk to the Commission
Kathleen Rollings-McDonald, Former Executive Officer
Bob Aldrich, LAFCO Consultant**

ABSENT:

COMMISSIONERS:

Regular Member	Alternate Member
Robert Lovingood	Janice Rutherford

STAFF:

None

**CONVENE REGULAR SESSION OF THE LOCAL AGENCY FORMATION COMMISSION
– CALL TO ORDER – 9:04 A.M. – NORTON REGIONAL EVENT CENTER**

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

ANNOUNCEMENT OF CONTRIBUTIONS

Chair Ramos 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 was made, and the matter of consideration with which they are involved. There were none.

ITEM 1. Swear in Alternate City Commissioner (Mayor Acquanetta Warren)

CONSENT ITEMS – STAFF RECOMMENDATION APPROVED

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 Meetings of July 18, 2018

ITEM 3. Approval of Executive Officer's Expense Report

ITEM 4. Ratify Payments as Reconciled for Month of June 2018 and Note Cash Receipts

ITEM 5. Consent Items Deferred for Discussion

Commissioner McCallon moves approval of the staff recommendation, Second by Commissioner Curatalo. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Curatalo, Farrell, McCallon, Ramos, and Williams. Noes: None. Abstain: None. Absent: Cox (Farrell voting in her stead) and Lovingood

PUBLIC HEARING ITEMS:

ITEM 6. **CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO SC#424 – CITY OF COLTON EXTRA-TERRITORIAL WATER SERVICE AGREEMENT (APN 1178-371-15) - STAFF RECOMMENDATION APPROVED**

Executive Officer Samuel Martinez presents the staff report, a complete copy of which is on file in the LAFCO office and made a part of the record by its reference here. The item has been advertised through publication in a newspaper of general circulation within the county, the *San Bernardino Sun*, as required by law.

Mr. Martinez states that the City of Colton has submitted an application for Commissioner review, requesting authorization to provide water service outside its boundaries pursuant to Government Code Section 56133. He states that agreement relates to a single parcel, APN 1178-371-15. Mr. Martinez states that the parcel is generally located easterly of Reche Canyon Road, which is within the City of Colton's sphere of influence. He states that the County has processed and approved Tentative Parcel Map No.19850, which is to create three parcels on the 4.57-acre parcel. He states that the conditions of approval placed on this project require that it connect to the City of Colton's water facilities. He states that the City has identified water connection fees totaling approximately \$11,000; in addition, the property owner will be required to bear all costs for the water extensions. Mr. Martinez states that as CEQA lead agency, the Commission's Environmental Consultant has indicated that the approval of this service contract is exempt from CEQA and is based on the findings that the Commission's approval does not have the potential to have a significant impact on the environment, and therefore the proposal is exempt from CEQA.

Executive Officer Martinez states that staff has reviewed this request to provide water service outside the boundaries of the City of Colton against the criteria established by State law and Commission policy and has determined the parcel to be served is within the sphere of influence assigned the City of Colton and is anticipated to become a part of the City in the future. He states that proposed development requires that it receive water service from the City as outlined in the Conditions of Approval for the project, and staff is supporting the City's request since its facilities are close by the proposed development. He states that staff is recommending the Commission approve LAFCO Service Contract #424 by taking the actions on page 1 of the staff report.

Chair Ramos asks for questions from the Commission.

There are none.

Chair Ramos asks if the applicant would like to make comments.

There are none.

Chair Ramos asks for public comment.

There are none.

Chair Ramos closes the public hearing.

Commissioner Warren comes to the dais at 9:09 A.M.

Commissioner McCallon moves approval of staff's recommendation, Second by Commissioner Bagley. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Curatalo, Farrell, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: Cox (Farrell voting in her stead) and Lovingood.

Mayor Warren is sworn in as the Alternate City Commissioner.

ITEM 7. CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 3190 – COUNTYWIDE SERVICE REVIEW FOR WASTEWATER (COLLECTION, TREATMENT, DISPOSAL) CONTINUED FROM THE JULY 18, 2018 HEARING – STAFF RECOMMENDATION APPROVED

Commissioner Cox comes to the dais at 9:13 A.M.

Executive Officer Samuel Martinez presents the staff report, a complete copy of which is on file in the LAFCO office and made a part of the record by its reference here. The item has been advertised through publication in newspapers of general circulation within the county, the *Big Bear Grizzly*, *Daily Press*, *Hi-Desert Star*, *Inland Valley Daily Bulletin*, *Mountain News* and *San Bernardino Sun* as required by law.

Executive Officer Martinez states that the Commission will begin its discussions on the service review on wastewater, which includes collection, treatment and disposal. He states that LAFCO

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is mandated by the State of California to conduct service reviews and LAFCO staff completed the first round of service reviews on a community-by-community approach looking at the community as a whole. He states that LAFCO is now in its second round service reviews which are being conducted from a service standpoint for the entire county. Mr. Martinez states that the water service review was done last year and now staff is presenting to the Commission the wastewater service review. He states that there is some overlap of agencies that provide both water and sewer; as well as agencies that only provide water and those that only provide wastewater.

Mr. Martinez states that the primary objective of the service review is to make recommendations to the Commission to update the determinations from the previous service review and to recommend sphere updates/amendments where appropriate, as well as monitor agencies where appropriate. He states that staff originally noticed the service review in July, but the item was continued. Staff provided notice again for this hearing. He states that the staff report and links to attachments were included in the mail out and is also available on the LAFCO website. Mr. Martinez outlines the "What was Learned" portion of the Executive Summary.

Michael Tuerpe, Project Manager, states that the service review will be split in four parts. He states that the first review will be of the Valley Region. Mr. Tuerpe states that the service review goes through the mandatory factors that are outlined in the Government Code. He states that the report objective is to update determinations from previous service reviews, initiate sphere of influence updates where appropriate and monitor specific agencies where appropriate. Mr. Tuerpe states that staff will also identify "hot spots," which are agencies that have significant wastewater issues.

He states that this service review also identifies areas where agencies are providing service outside their boundaries. He states that during this process, staff reached out to every agency and provided them with every LAFCO identified out of agency service contract and the corresponding parcel numbers. He states that some agencies responded back stating they actually do a little bit more. He states that those agencies providing service before 2001 will be exempt from Commission approval pursuant to the provisions of the Government Code. However, for services connected after 2001 for which no agreement exists or for which no LAFCO approval has been granted, he states that they have been identified with cooperation of the agencies, presented to the Commission in this service review, and that it is requested that the agencies come back with a comprehensive out of agency service agreement application.

Mr. Tuerpe states that for the Valley Region the City of Ontario, Inland Empire Utilities Agency and the County Department of Public Health provided additional comments which are located in the August staff report, not the service review. He states that for the City of Ontario, there were non-substantive changes to its table and profile and revised service area maps between the City of Ontario and the Cucamonga Valley Water District. He states that the two agencies were extremely cooperative. He states that the County Department of Public Health requested the insertion of language regarding replacement of cesspools and this has been included all four regions.

Mr. Tuerpe states there are opportunities for future consideration, not for Commission action or recommendation, but that LAFCO is doing its due diligence and adhering to the statute which is to identify needs and deficiencies. He states that City of Chino lacks sewer service in its sphere of influence, and currently the City council has authorized an economic feasibility study to analyze annexation of its sphere of influence in whole, part or not at all, and how that may affect

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future connections to wastewater. He states that for the City of Montclair, LAFCO staff had extensive interaction with the City in identifying the number of services that are outside its boundary. He states that they have 555 parcels that are authorized to be connected outside its boundary.

Mr. Tuerpe references the City of Rialto and West Valley Water District with respect to the Bloomington community, which is generally not sewered. He states that a draft community plan for Bloomington is a part of the County's General Plan Update which identifies one of its major goals is to look further into providing wastewater collection to the Bloomington community. As part of this service review, the City of Rialto and the West Valley Water District reached out to LAFCO staff and have provided letters, included in Appendix "A" to the Service Review, stating that they should be considered as potential agencies to be the wastewater collection agency for the Bloomington community. He states that staff also sees opportunities for consideration for the City of San Bernardino unincorporated area, where portions of its islands are disadvantaged and largely served by septic. He states that this is similar to the City of Redlands unincorporated Mentone community. Mr. Tuerpe states that the Valley Region does not have any "hot spots."

Mr. Tuerpe outlines the recommendations for the Inland Empire Utilities Agency's service outside its boundary. He also states that the Inland Empire Utilities Agency's functions and services were not accurately described based on the historical and active provision of its services. He states that this service review can be the mechanism to clarify what they historically and actively provide. Mr. Tuerpe outlines the recommendations for the City of San Bernardino, the City of Upland and the City of Rialto related to its service outside its boundaries.

Mr. Tuerpe states that the recommendations for Commission action for the Valley Region are to update the previous service review determinations to include population, disadvantaged, unincorporated communities and regional information from Section IV, and agency specific information from Appendix B. He states the agency specific recommendations are for: Inland Empire Utilities Agency, and for the Cities of San Bernardino, Upland and Rialto.

Chair Ramos asks if there are questions from the Commissioners for staff.

Commissioner Amis states that she has a question on the Valley Region maps; she states that she noticed part of Yucaipa Valley goes into Riverside County.

Mr. Tuerpe states that part of the Yucaipa Valley Water District extends into Riverside County; and that San Bernardino is the principal county.

Commissioner Farrell states that the requests for application for the out of service boundary enabled by Napa and San Bernardino Counties, is this something the Commission would not be able to consider otherwise if that legislation had not passed.

Mr. Tuerpe states that this is correct; the Government Code reads that an agency cannot provide service outside its sphere of influence and that the special legislation Commission Farrell references provides an exception for San Bernardino LAFCO.

Executive Officer Martinez states that without this exception, the only time you can connect outside an agency's sphere is if there is an impending health and safety issue.

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Commission Cox asks that during the course of this evaluation, did staff communicate at all with the respective regional boards.

Mr. Tuerpe states yes, staff visited the offices of all the regions. He states that all were excellent and provided staff with any information that was asked for.

Commissioner Cox asks if staff will be able to expedite processing of the applications that will be submitted to identify these out of area services, will they have to pay the full LAFCO fees, and how will staff be able to work with these agencies?

Executive Officer Martinez states that LAFCO staff will be asking them to file as a blanket request and then processed as one.

Commissioner Cox states the jurisdictions that staff met with; did they share the ordinances that require connection to the sewer system? She states that most cities have an ordinance on the books that if a septic system fails and they are within so many feet of the sewer system, they are required to connect.

Mr. Tuerpe states that inside the boundary and outside the boundary are separate issues. He states that outside the boundary, people may not know they are required to do so because the land-use jurisdiction of the city does not extend beyond its boundary and out of area service agreements are usually for a parcel or a tract. He states that it's his understanding that a city cannot require a connection outside its boundary, but inside the boundary is a different story.

Executive Officer Martinez states that Commissioner Cox is correct, if there is a failed septic system and it is within 200 feet of a collection line, they will be required to connect. He states that the Commission has authorized the Executive Officer, if it's a non-development related connection, to authorize those connections. Mr. Martinez states that the Commission does not review them, but LAFCO staff receives them frequently.

Chair Ramos asks if there are additional comments from the Commission.

There are none.

Chair Ramos asks if there are any comments from the Valley Region agencies.

There are none.

Chair Ramos asks if there are any public comments.

There are none.

Chair Ramos states that the discussion will now move on to the Mountain Region.

Mr. Tuerpe states that the Mountain Region is quite large as he begins to explain the map. Discussion continues.

Mr. Tuerpe states that comments were received since the June 20, 2018 release of the service review. He states that one comes from Santa Ana Regional Water Quality Control Board and points out the discharge prohibitions for the Mill Creek Area.

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Mr. Tuerpe states the opportunities for future consideration for the Mountain Region.

Discussion continues.

Mr. Tuerpe states there are no “hot spots’ in the Mountain Region, therefore there are no recommendation for Commission direction to monitor an agency and there are no out of agency service contract issues. He states that the Lahontan Regional Water Quality Board supports this review and its letter is part of Appendix “A” with LAFCO staff’s response. He states that specifically for the Mountain Region, the report identifies opportunities that exist in the Hilltop area. He states that Lahontan mentions that there is a direct connection between the LAMP (Local Agency Management Programs) and the recommendations made in the LAFCO wastewater service review for developing wastewater services. He states that the recommendations for Commission action are to update the previous service review determinations to include population, disadvantaged unincorporated communities, and regional information from Section VI, and agency Information form Appendix C.

Chair Ramos asks if there are any questions from the Commission for staff.

Commissioner Amis asks, in regards to page 6-10, to describe the term “close proximity.”

Mr. Tuerpe states close proximity is not defined and gives staff the leeway to analyze as fit.

Chair Ramos asks if there are additional questions from the Commission.

There are none.

Chair Ramos asks if there are any Mountain Region agencies that would like to provide comment related to the Mountain wastewater service review.

There are none.

Chair Ramos asks for public comment

There are none.

Chair Ramos states that the discussion will now move on to the North Desert Region.

Mr. Tuerpe states that the North Desert is quite big and explains the detailed maps to the Commission. He states that the report identifies opportunities for future consideration and again there is no Commission recommendation.

Discussion continues.

Mr. Tuerpe states that the City of Adelanto is identified as a “hot spot.” He states that LAFCO staff presented this to the Commission in 2009 and again in the last service review one year ago. He states that the recommendation from the water service review was to wait until the wastewater service review and if everything were constant and equal, staff would come back to the Commission and recommend a sphere of influence amendment for the City in order to determine the appropriate sphere of influence for the City. He states that the recommendation is

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for the Commission to initiate a sphere of influence amendment today, and additionally a condition for the city and the county to discuss the City of Adelanto's sphere of influence in regards to development standards, planning, and zoning requirements to ensure that the sphere development occurs in an orderly manner.

Vice-Chair Curatalo states that with Adelanto, this is to initiate, correct?

Mr. Tuerpe states, "yes."

Vice Chair Curatalo states what is the typical time frame involved?

Mr. Tuerpe states that after Commission initiation, it would be LAFCO staff reaching out to the City and the application documents are circulated for review and comment to all parties affected, then there would be a staff level meeting with the City called a departmental review and then staff would fine tune the particulars, notice it, and come back to the Commission. He states that it could be anywhere from four to six months.

Discussion continues.

Mr. Tuerpe states that staff also identified a "hot spot" designation for the Victorville Water District/City of Victorville. He states that both of these entities provide collection, and the issue identified is the increasing operation and maintenance payments affecting debt service and needed capital expenditures. He states that the staff recommendation to the Commission is to continue monitoring the entities and direct staff to return to the Commission in six months following completion of the service review. Mr. Tuerpe states that the City has adopted a substantial rate increase for five years, and the rate increases are for future capital expenditures and also to eliminate the reliance on reserve spending.

Mr. Tuerpe states that the last "hot spot" is for the Victor Valley Wastewater Reclamation Authority. He states that the issues are threefold: (1) there has been a negative impact to revenue cash flows affecting ability to service debt due to the City of Victorville diversion of approximately 1 MGD of flow thereby reducing revenue; (2) the City of Hesperia withholding payment due to disagreement with VVWRA board of directors; and, (3) unresolved differences with the Federal Emergency Management Agency regarding a grant for constructing the Mojave Upper Narrows tunnel project. Mr. Tuerpe states that staff recommends that the Commission direct staff to continue to monitor VVWRA, and staff with return to the Commission six months following completion of this service review. He states that the recommendations for Commission action are to update the previous service review determinations to include population, disadvantaged unincorporated communities, and regional information from Section VII, agency Information form Appendix D, initiate a sphere of influence amendment for the City of Adelanto to determine the appropriate sphere of influence for the City; and direct that the City and County meet to discuss the current and proposed sphere areas, and direct staff to continue to monitor Victorville Water District/City of Victorville and the Victor Valley Wastewater Reclamation Authority.

Chair Ramos asks if there are any questions from the Commission for staff.

There is none.

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Chair Ramos asks if there are any North Desert Agencies that would like to provide comment on the North Desert Water Service Review.

Chair Ramos call Jesse Flores.

Mr. Flores states that he is the interim City Manager for the City of Adelanto. He states that he is respectfully requesting that the Commission reconsider making a decision on reducing the City's northern sphere of influence.

Commissioner McCallon states that he would like to thank the City Manager for the letter, for they have made tremendous progress. He states staff is not proposing a sphere reduction, they are proposing an opportunity to get together and determine what the appropriate sphere is. Commissioner McCallon states that he does not see a reason not to proceed with discussion between the parties on what the sphere ought to be.

Vice-Chair Curatalo states to Executive Officer Martinez, that this is just to initiate the study, correct.

Executive Officer Martinez states that the recommendation is to initiate the sphere update/ amendment, and as Commission McCallon has stated, it's to evaluate the sphere and that whether or not there is to be a sphere reduction is up for discussion.

Commissioner Warren states that she would like to commend Mr. Flores on what he has done. She states that this is not for reduction; but to develop discussion.

Charles Rangel, Development Director for the City, states that what the City Manager was eluding to is that the northern quadrant of our sphere of influence is where the 395 corridor stands northward. He states that it will be the pathway of development and present more opportunities for our developers.

Misty Cheng, Contract Finance Director for the City of Adelanto, states that many of the comments that were picked up by LAFCO are actually coming from the APUA internal control management comment from the outside auditors. She states that she has responded to each of those with the updates that she knows of, but a lot of it has not been addressed or implemented during the time that she was not at the City.

Logan Olds, General Manager for Victor Valley Wastewater Reclamation, states that his comments relate specifically to item #3 in the "hot spot." He states that VVWA looks forward to resolving this matter.

Chair Ramos calls for public comment.

Jon Gypsin, states that he attends on behalf of LKQ Corporation and this is to do with the northern hemisphere of Adelanto. He states that he has been working with LAFCO and the City of Adelanto to annex land on the northern hemisphere for car salvage. He states that their concern is the sphere of influence and how it will affect the client.

Executive Officer Martinez states as of now staff has not evaluated the sphere and does not have an application. He states that staff has met with the property owners' representative and

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the City of Adelanto has not pre-zoned the area that is being proposed for annexation. He states that until LAFCO staff gets an application, staff cannot evaluate the proposal.

Chair Ramos states to Mr. Gypsin that there are processes at LAFCO and therefore cannot consider this proposal until an application is submitted.

Chair Ramos calls for additional public comment.

There is none.

Commissioner Bagley states that he is sorry that the officials from the North Desert Region has already left the room. He states that there are opportunities that came out in the staff report that would help expansion in the northern area. He states that the failure to produce responsible audits is a major concern and is beyond the scope of what the Commission is doing today but have had some in-depth reporting in the staff report about the problems. Discussion continues.

Chair Ramos states that the discussion will now move on to the South Desert Region.

Mr. Tuerpe states that the South Desert Region is quite vast and explains the maps to the Commission.

Discussion continues.

He states that the Twentynine Palms community is currently not connected and lacks a municipal system. He states that the City of Twentynine Palms and the Twentynine Palms Water District are aware that the Colorado River Basin Regional Water Quality Control Board is concerned about potential contamination and concerned that an order from the Regional Board to develop a wastewater system is imminent. He states that LAFCO staff has met with the Colorado Regional Board, and the neighboring Marine Corps Base has an aging wastewater treatment facility that is under order to either significantly upgrade or replace its system. Mr. Tuerpe states that staff recommends that the Commission identify the Twentynine Palms community as a "hot spot" and recognize that an opportunity exists for the community to develop a joint wastewater system with the nearby Marine Corps Base.

Mr. Tuerpe states that the recommendations for Commission action are to update previous service review determinations to include population, disadvantaged unincorporated communities, regional information from Section X, and agency information from Appendix E. He also states that the staff recommends that the Commission identify the Twentynine Palms community as a "hot spot" and recognize that an opportunity exists for the community to develop a joint wastewater system with the nearby Marine Corps Base.

Chair Ramos asks if there are any questions from the Commission for staff.

Commissioner Bagley states it makes sense that Twentynine Palms is a "hot spot," and this is a regional issue. He states the Marine Corps Base main side was annexed into the City of Twentynine Palms decades ago for the purposes of increasing itsper capita count, and it was a wise move by LAFCO. He states that there is no land-use planning within that jurisdiction but that is essentially where the sewer system exists for the Federal agency, and any future sewer projects should be considered on a regional scale. He states in the staff report, it points out

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there is a separate special district that provides for the planning, but is not authorized at this point to take the sewer, is this correct?

Mr. Tuerpe states that the Twentynine Palms Water District is authorized the sewer function with a limitation to planning and engineering.

Chair Ramos asks for comment from any Southern Desert Region Agencies that would like to provide comments at this time.

There is none.

Chair Ramos calls for public comment.

There is none.

Chair Ramos asks staff to provide the Commission with final recommendations.

Mr. Tuerpe outlines staff's recommendations to the Commission as outlined in the staff report for LAFCO 3190 and the additional language outlined in the supplemental staff report for LAFCO 3190.

Chair Ramos asks if there are any questions or comments on the recommendations.

Commissioner Cox states that Commissioner Bagley brought up an excellent point on Adelanto's audits. She asks if there is a need to include something to that effect in item 3a to request that they submit current audits as part of this conversation.

Mr. Tuerpe states that it is his understanding that should the Commission choose to do so, it is its pleasure; however, as part of this initiation, there are items to consider by statute for a sphere of influence amendment and staff would then carry that out as part of those factors.

Commissioner Cox states that some of those statutory considerations include the ability for a city to serve, and as the finance director mentioned, the most recent audit LAFCO received was quite a few years old and it indicated some significant financial stresses.

Discussion continues.

Executive Officer Samuel Martinez states that if the Commission initiates the sphere, staff will include the requests for those audits.

Commissioner Warren states that although she appreciated the finance director's report, she is not sure that staff should take it for gospel. She states that she believes the letter is clear that they have some issues that they are trying to resolve. She states that she does not believe the process should be tied up with those audits.

Commissioner Bagley states that he does not want to interfere with things; he states that the Commission has given direction to staff, and the direction is that the Commission initiate this review.

Discussion continues.

Chair Ramos asks if there are additional questions or comments on the recommendation presented by staff.

There is none.

Chair Ramos asks if there is public comment

There is none.

Chair Ramos closes the public hearing and asks the Commission for determination.

Commissioner Bagley moves approval of the staff recommendation with an amendment to the City of Adelanto portion, Second by Commissioner Cox. There being no opposition, the motion passes with the following roll call vote: Ayes: Bagley, Cox, Curatalo, McCallon, Ramos and Williams. Noes: None. Abstain: None. Absent: Lovingood.

DISCUSSION ITEMS:

ITEM 8. UPDATE ON LAFCO 3187: COUNTYWIDE SERVICE REVIEW FOR WATER – REQUIRED CONTINUED MONITORING FOR:

- a. **COUNTY SERVICE AREA 70 ZONE J (OAK HILLS)**
 - b. **DAGGETT COMMUNITY SERVICES DISTRICT**
 - c. **COUNTY SERVICE AREA 70 ZONE W-4 (PIONEERTOWN)**
- STAFF RECOMMENDATION APPROVED**

Mr. Tuerpe presents the staff report and states this is continued monitoring from last year's water service review. He states that the focus is on Zone J and Hesperia Water District boundary irregularities. He states that at this time, the City of Hesperia is moving towards adopting the agreement between Zone J and itself. Mr. Tuerpe states that it is LAFCO staff's hope to receive an exemption for the out of agency agreement between those agencies. He states that this staff report still has the recommendation to continue to monitor, however if the application comes in, the continued monitoring will cease.

He states that staff also have continued monitoring for the Daggett Community Services District. He states that the staff report provides an update and Daggett CSD has provided an unsigned letter, a copy of which has been placed on the dais for the Commission outlining some additional steps it has made. He states that that staff will come back and continue to monitor them for another six months.

Mr. Tuerpe states that CSA 70 Zone W-4 (Pioneertown) is west of Yucca Valley and at 2:00pm today, sealed bids will be submitted to the County to move forward with the pipeline project, so staff will continue monitoring for six more months.

Chair Ramos asks if there are questions from Commissioners for Staff.

There are none.

Chair Ramos asks if there are any public comment.

There are none.

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

INFORMATION ITEMS:

ITEM 9. LEGISLATIVE ORAL REPORT

Executive Officer Samuel Martinez states there is not much movement in the legislature. He states that we have our CALAFCO sponsored bills AB 2050 and AB 2258. He states that they are in appropriation but are currently in suspense so they may be taken up at another hearing. He states that hopefully next month he will have an updated report for the Commission.

ITEM 10. EXECUTIVE OFFICER'S ORAL REPORT

- a. New Proposals Received
- b. Update on Proposals Filed with LAFCO

Executive Martinez states that on Monday, Commissioners Curatalo, Amis, Farrell and he went to the Southern Region Meeting for LAFCOs and one of the main discussions was on the CALAFCO dues. He states that there is anticipation on the restructuring of those dues. He states that this week staff will be conducting the Protest Hearing for the Hesperia Fire Reorganization at the City of Hesperia City Hall and the week after, staff will be conducting the Protest Hearing for East Valley Water District. He states that next month there will be at least three service contracts on the agenda.

ITEM 11. COMMISSIONER COMMENTS

Commissioner Cox commends staff on the wastewater review stating that its an incredible body of work.

Commissioner Farrell states that he wants to acknowledge that he enjoyed attending the Southern Region Meeting for CALAFCO, and it was very informative.

Commissioner Williams commends Project Manager Tuerpe for presenting the service review and appreciates the amount of research that went into it.

Chair Ramos commends the staff for their work on the service review.

ITEM 12. COMMENTS FROM THE PUBLIC

There are none.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION, THE HEARING IS ADJOURNED AT 11:06 A.M

ATTEST:

LA TRICI JONES
Clerk to the Commission

LOCAL AGENCY FORMATION COMMISSION

JAMES RAMOS, Chair