

**MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION
HEARING OF AUGUST 17, 2005**

REGULAR MEETING

9:00 A.M.

AUGUST 17, 2005

PRESENT:

COMMISSIONERS:	Paul Biane, Chairman	Paul J. Luellig Jr., Alternate
	Bob Colven, Vice Chairman	Mark Nuaimi
	Kimberly Cox	Richard P. Pearson
	James V. Curatalo, Alternate	A. R. "Tony" Sedano, Alternate
	Josie Gonzales, Alternate	Diane Williams
	Dennis Hansberger	

STAFF:

Kathleen Rollings-McDonald, Executive Officer
Clark H. Alsop, Legal Counsel
Samuel Martinez, LAFCO Analyst
Michael Tuerpe, LAFCO Analyst
Debby Chamberlin, Clerk to the Commission

REGULAR SESSION - CALL TO ORDER – 9:02 A.M.

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

Chairman Biane requests those present who are involved with any of the changes of organization to be considered today by the Commission and have made a contribution of more than \$250 within the past twelve months to any member of the Commission to come forward and state for the record their name, the member to whom the contribution has been made, and the matter of consideration with which they are involved. There is no one.

APPROVAL OF MINUTES FOR REGULAR MEETING OF JULY 20, 2005 – MINUTES APPROVED

Chairman Biane calls for any corrections, additions, or deletions to the minutes. There are none. Commissioner Colven moves approval of the minutes as presented, seconded by Commissioner Pearson. Chairman Biane calls for objections to the motion. There being none, the motion is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Pearson, Williams. Noes: None. Abstain: None. Absent: None.

CONSENT ITEMS

LAFCO considers the items listed under its consent calendar. Chairman Biane states that the consent calendar consists of: (1) approval of the Executive Officer's expense report; (2) approval of payments as reconciled for the month of July 2005 and noting cash receipts; and (3) one service contract. A Visa Justification and Travel Claim for the Executive Officer's expense report, and a staff report for the service contract, have been prepared and a copy of each is on file in the LAFCO office and is made a part of the record by its reference herein. The service contract has been advertised as required by law through publication in The Sun and the Fontana Herald News, newspapers of general circulation in the area. In addition, individual mailed notice of the service contract was provided to affected and interested agencies, County departments and those agencies and individuals requesting mailed notice.

The service contract proposal is summarized as: LAFCO SC#258--Irrevocable Agreement to Annex No. 03-00007 for Sewer Service (APN 0236-151-27)

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Executive Officer Kathleen Rollings-McDonald requests that approval of the reconciled payments for the month of July be continued to the September 21, 2005 hearing.

The staff recommendation is that the Commission approve the Executive Officer's expense report, continue approval of the reconciled payments to September 21 and take the following actions for the service contract: (1) take the actions listed in the staff report for the environmental review of the agreement as a CEQA responsible agency; (2) approve SC#258 authorizing the City of Fontana to extend sewer service outside its boundaries to APN 0236-151-27; and (3) adopt LAFCO Resolution No. 2892 setting forth the Commission's findings, determinations and approval of the agreement for service outside the City of Fontana's boundaries.

Chairman Biane asks whether there is anyone present wishing to discuss any of the consent calendar items. There is no one.

Commissioner Pearson moves approval of staff recommendation for the consent calendar items, seconded by Commissioner Colven. Chairman Biane calls for any objections to the motion. There being none, the voice vote is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Pearson, Williams. Noes: None. Abstain: None. Absent: None.

CONTINUED ITEMS:

CONTINUED FROM JULY 20, 2005 -- CONSIDERATION OF SPECIAL COUNSEL FOR LAFCO 2981- SPHERE OF INFLUENCE REVIEW (REDUCTIONS) FOR CITIES OF FONTANA AND RIALTO AND WAIVER OF COSTS ASSOCIATED WITH SPECIAL COUNSEL - CONTINUE DESIGNATION OF SPECIAL COUNSEL TO SEPTEMBER 21, 2005 AND SCHEDULE CONSIDERATION OF SPECIAL COUNSEL POLICY FOR DISCUSSION ON SEPTEMBER 21

LAFCO conducts a continued public hearing to consider the need for Special Counsel for LAFCO 2981-Sphere of Influence Review (Reductions) for the Cities of Fontana and Rialto and the waiver of the costs associated with Special Counsel. Notice of the original hearing on this item was advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. Individual mailed notice of this hearing was provided to affected and interested agencies, County departments, and those individuals and agencies requesting mailed notice.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and is made a part of the record by its reference herein. Ms. McDonald says that at the July hearing, the Commission discussed the need for Special Counsel for consideration of LAFCO 2981 and requested continuance of this matter for further discussion on the fee policy regarding Special Counsel and a review of a possible waiver of fees to be paid by the Bloomington Incorporation Commission (BIC) for the processing of its sphere removal proposal. She says this is a policy question for the Commission and that the Commission can choose to waive the Special Counsel charges since BIC is a grassroots group looking to propose sphere changes in order to look at the issue of incorporation. She reports that in the interim during hearings, Supervisor Gonzales submitted a Board Agenda item requesting an allocation from the County's priority needs budget of \$10,000 to cover the Special Counsel costs on behalf of the Bloomington community, which is in her District. Ms. McDonald says the options for the Commission are: (1) to waive the fee to recover Special Counsel costs for the processing of LAFCO 2981, relieving BIC of this obligation; (2) to accept the contractual relationship with the County to fund the costs for Special Counsel up to \$10,000, also relieving BIC of this obligation; or (3) to uphold the fee policy and require BIC to pay the costs associated with the hiring of Special Counsel. As clarification, she explains that Legal Counsel Clark Alsop has indicated he has a conflict because he is the City Attorney for the City of Fontana which objects to the actions proposed by BIC. Ms. McDonald says the staff recommendation is that the Commission: (1) retain Jeffrey Goldfarb of Rutan and Tucker as Special Counsel for LAFCO 2981; and (2) accept the offer of Supervisor Gonzales.

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Commissioner Hansberger asks what the net difference in cost is between Special Counsel and regular Legal Counsel and whether there is any deduction from regular Counsel's contract for the period of time he is not representing the Commission and Special Counsel is being paid. Ms. McDonald says there is a \$75 per hour difference in the two contracts. Counsel Alsop says Commissioner Hansberger's question is whether during the time he is conflicted out, he is charging to be at the hearing or to do something; and Mr. Alsop says that answer is no. Commissioner Hansberger discusses his concern about the policy, stating that the conflict does not arise from the applicant but because LAFCO's Counsel represents another entity that has an interest in the proposal. He says he does not think applicants should have to pay for something when they do not create the conflict. He says he thinks the charges should be waived altogether and that the policy should be revisited because it is not reasonable.

Chairman Biane states that he thinks Commissioner Hansberger's point is good, but he adds that he thinks the Commission should support staff's recommendation today and bring back the issue of the policy in September for discussion. He says he agrees that the Special Counsel charges should be waived when the conflict is caused by the relationship of the Commission's Counsel to another party, and not by the applicant. He recommends that the policy question be taken up at the September hearing.

(It is noted that Commissioner Gonzales arrives at 9:10 a.m.)

Commissioner Nuaimi comments that since Legal Counsel's fees are built into the rate structure, there is a cost recovery mechanism to pay for Mr. Alsop's costs. However, he points out that if the costs are waived, the Commission needs to absorb those costs and spread them to all other applicants who submit applications. He says the fact that Supervisor Gonzales is willing to give \$10,000 to alleviate the need to spread the Special Counsel costs to other applicants is a fair approach. He notes that he agrees with Commissioner Hansberger's comments that people should not be deterred from coming before the Commission just because its attorney represents another involved party.

Commissioner Pearson comments that he concurs with Commissioner Hansberger's basic premise and thinks it is valid. He says LAFCO is charged with providing this kind of service on a broad basis to anyone seeking incorporation or other activities. He says the issue of Special Counsel is unique and is considered almost on a case-by-case basis, and says he thinks this is a case where the Commission, even though it has a policy, should change the route in which it is going. He says that although he commends Supervisor Gonzales for making her offer, he does not think that is her place to do so, because it is the Commission's responsibility to provide support and service to the Community. He says he opts for waiving the fee in this case.

Commissioner Cox asks whether staff has an estimate of what the legal fees will be. Ms. McDonald responds that she is not sure, but she does not believe the costs will be \$10,000.

Commissioner Hansberger explains to Commissioner Gonzales, since she just arrived, that he had indicated earlier that he did not believe an applicant should have to pay Special Counsel costs if it is not the applicant's attorney that creates the conflict and says he suggested that the fee be waived altogether. He says Chairman Biane then commented that since this is a policy that has been adhered to for some time, rather than just waiving the fee today, the matter should be discussed at the September meeting so that a decision on what the policy should be could be made. Commissioner Hansberger suggests that a decision be delayed one more month until the policy issue has been resolved. He says if the policy is to waive such fees, he does not see why a District Supervisor should have to find money to pay the bill if it should not be paid. He moves to continue the matter to September 21, 2005, seconded by Commissioner Williams.

Chairman Biane says it is prudent to continue this matter for a discussion of the policy since the decision will have financial impacts, as pointed out by Commissioner Nuaimi. He says Supervisor Gonzales' offer will still stand in September. Commissioner Hansberger says the people in Bloomington need to understand that they will not have to bear the cost for Special Counsel because the matter, however it is resolved, will be resolved in their favor.

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For the record, Commissioner Gonzales says the offer she made previously to cover the fees still stands. She says she appreciates the time and effort the Commission is putting in on this item.

Chairman Biane calls for further discussion. There being none, he calls for objections to the motion. Commissioner Pearson says he objects to the motion. The voice vote is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Williams. Noes: Pearson. Abstain: None. Absent: None.

CONTINUED FROM JUNE 15, 2005 – CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 2919; AND (2) LAFCO 2919 – SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT – CONTINUE TO SEPTEMBER 21, 2005

LAFCO conducts a continued public hearing to consider a service review and sphere of influence update for the San Bernardino Valley Water Conservation District (hereafter the "SBVWCD" or "District"). Notice of the original hearing on March 16, 2005, was advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. This hearing was originally continued to June 15, 2005. However, a request received from the District for a continuance to August 17 was presented to the Commission at the May 18 hearing. It was determined that there would be no June hearing since the only item ready for consideration was this service review, and this item was continued to today. Individual mailed notice of this hearing was provided to affected and interested agencies, County departments and those agencies and individuals requesting mailed notice.

Chairman Biane states that he has a few speaker slips for this item. He reports, however, that the District has requested a thirty-day continuance, noting this is a second continuance request. He says staff feels ready to go forward with this service review, but he asks the District to present the background of why it is seeking another continuance.

Cheryl Tubbs, President of the District's Board of Directors, states that the District is requesting a continuance but also has additional information to present for the record. Ms. Tubbs states she has prepared reports on behalf of other agencies for Commission consideration and has helped in preparing environmental impact reports and annexation applications so she is very familiar with the role of the Commission in considering the service review today. She says the staff report was received last Thursday and they are still going through it, along with other information submitted recently. Ms. Tubbs says the Board of Directors does not agree with staff recommendation and says the consolidation proposal deals with issues that are very important to the future of the District and to groundwater management for the entire region. She says they would like more time to go through the staff report and its recommendations and to respond to some of the questions it raises and questions raised by other agencies that have submitted material to the Commission. She says the District is requesting that the Commission continue this matter if it is not satisfied with the accuracy or adequacy of information provided to date, including any testimony that may be provided today. She says they want more time to review additional information submitted by the San Bernardino Valley Municipal Water District (hereafter "SBVMWD"), the agency with which consolidation is proposed.

(It is noted that Commissioner Curatalo arrives at 9:22 a.m.)

Ms. Tubbs says the District has submitted a Public Records Act request and is looking at the information because it has financial implications related to what LAFCO staff is recommending for initiating proceedings ultimately leading to consolidation. She says this proposal is very different from the recent consolidation of the two Resource Conservation Districts because that was supported by both Districts who felt it would be of benefit to the public and there were efficiencies to be gained. She says the proposal before the Commission today is a "hostile-like" consolidation proposal because it is not supported by the District. Ms. Tubbs says that as of the information they have received to date, the SBVMWD is not in a position to state that it is proposing a consolidation or would undertake that effort itself. She says they have heard from the water producers in the Basin which benefit from the District's recharge operations two main issues of opposition to what the District is doing today and why they feel

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the consolidated effort should be supported. She says the water producers feel there would be a cost savings resulting from the elimination of the District's groundwater assessment and a cost savings resulting to all parties by resolution of the water rights application dispute being sought by many parties in the Basin, including the SBVWCD and SBVMWD. Regarding the groundwater assessment, Ms. Tubbs reports that the District Board has been assessing a waiver of collection of fees while the mining revenues stay high.

Chairman Biane interrupts Ms. Tubbs, stating that the question before the Commission at this time is whether to continue the item. He says if the hearing is not continued, she will be invited back to continue with her presentation. Ms. Tubbs reiterates that the District is requesting additional time to answer questions raised in the staff report, since it was just received last Thursday. Chairman Biane asks staff to address the question of the necessity for a continuance.

Executive Officer Kathleen Rollings-McDonald states that staff believes it has presented the information necessary for the Commission to review and provide a decision on the service review/sphere update. However, she says this item can be continued to September 21 to allow submission of additional information from the District, if the Commission feels that the District's request is in order.

Commissioner Hansberger asks how much of the information that was sent to the District last week was new information. Ms. McDonald responds that most of the responses from the water producers were faxed to the District as they were received and that information received from the City of San Bernardino was provided as a supplement to the staff report in the packet the District received. She says most of the information contained in the staff report had been provided to the District prior to receipt of the staff report. Commissioner Hansberger says that although he came prepared today to proceed with this discussion, the issue is of sufficient importance to all agencies that if there will be any harm to the quality of the testimony that is offered by hearing the item today, he does not think a 30-day continuance is unreasonable. However, he says everyone should understand that they need to go forward with the discussion next month.

Commissioner Hansberger moves to continue this item to September 21, 2005, seconded by Commissioner Nuaimi. Chairman Biane calls for objections to the motion. There being none, the voice vote is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Pearson, Williams. Noes: None. Abstain: None. Absent: None.

Commissioner Nuaimi asks that during this 30-day period, staff provide more information on an issue raised by the City of Rialto related to the pump tax issue or the ability to double tax. Ms. McDonald explains that the City of Rialto is a water producer within the Bunker Hill Basin but is not part of the SBVWCD and does not currently pay a pump tax. She says she can provide information regarding that.

CONSIDERATION OF INITIATION OF DISSOLUTION OF PARKER DAM PARK AND RECREATION DISTRICT- APPROVE STAFF RECOMMENDATION

LAFCO conducts a hearing to consider the initiation of the dissolution of Parker Dam Park and Recreation District. Notice of this hearing has been advertised as required by law through publication in The Sun and the Parker Pioneer, newspapers of general circulation in the area. Individual mailed notice of this hearing was provided to affected and interested agencies, County departments and those agencies and individuals requesting mailed notice.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and is made a part of the record by reference herein. Ms. McDonald states that the Commission at its May 18 hearing was provided with a letter from the Property Tax Manager of the County Auditor/Controller-Recorder's office requesting consideration of the possible dissolution of the Parker Dam Park and Recreation District (hereafter "District"). She says this request was on the basis that no one has been able to contact anyone at the District; it has not taken its property tax proceeds in three years; and no payments have been processed by the District through the County Treasury for over

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18 months. She reports that there is a mechanism that allows the dissolution of a district for the non-use of its corporate powers, which can be initiated by a petition of three registered voters within the District. She says that although three voters cannot be found, staff believes that the three findings listed in the staff report found in Government Code Section 56871 support staff's recommendation that the Commission initiate dissolution. She says staff will process the application and return with a staff report on the dissolution, the distribution of the tax proceeds of \$43,608, and the redistribution of the District's current share of its one percent of the property tax.

Chairman Biane opens the hearing and asks if there is anyone wishing to speak on this matter. There is no one and he closes the hearing.

Chairman Nuaimi moves approval of staff recommendation, seconded by Commissioner Hansberger. Chairman Biane calls for objections to the motion. There being none, the voice vote is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Pearson, Williams. Noes: None. Abstain: None. Absent: None.

Commissioner Hansberger comments that at one time, the County took possession of a village in that area, owned by the Metropolitan Water District, and he says there were residences there. He says he does not think the County still owns it. Ms. McDonald says Gene Camp was returned to the Metropolitan Water District. She says there are a number of voters throughout the District and says that in 1993 there was a major annexation to broaden the voter base.

DESIGNATE SPECIAL COUNSEL FOR REPRESENTATION OF COMMISSION FOR LAFCO 2994-REORGANIZATION TO INCLUDE HI-DESERT WATER DISTRICT ANNEXATIONS (ANNEXATION PROJECT 2005) – APPROVE STAFF RECOMMENDATION

LAFCO considers retaining Jeffrey Goldfarb of Rutan and Tucker as Special Counsel for LAFCO 2994. Notice of this consideration has been advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. Individual mailed notice of this hearing was provided to affected and interested agencies, County departments and those agencies and individuals requesting mailed notice.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and is made a part of the record by its reference herein. Ms. McDonald states that Legal Counsel Clark Alsop's firm also represents the Hi-Desert Water District (hereafter "District") and she says there may be some controversy with this proposal based on some development in the southern Yucca Valley area. She displays a map of the annexation area on the overhead display, pointing out the four areas to be annexed. She reports that the annexation will extend the District into the boundaries of the Morongo Valley Community Services District, which may cause controversy. She explains that according to the Commission's policy, when a controversy is identified Special Counsel will be requested. She says the District has been notified of this requirement and representatives of the District are present today to answer any questions. Ms. McDonald says the staff recommendation is that the Commission contract with Mr. Goldfarb for Special Counsel representation.

Chairman Biane says he has no requests to speak on this item. Commissioner Hansberger moves approval of staff recommendation, seconded by Commissioner Nuaimi. Commissioner Hansberger comments this invites the question of who will pay for Special Counsel. Ms. McDonald says the District will, but she says that if the Commission changes its policy, today's decision on this item can be changed.

Chairman Biane calls for objections to the motion. There being none, the voice vote is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Pearson, Williams. Noes: None. Abstain: None. Absent: None.

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CONSIDERATION OF AMENDMENT OF SAN BERNARDINO LOCAL AGENCY FORMATION COMMISSION BENEFITS PLAN – APPROVE STAFF RECOMMENDATION

LAFCO considers amendments to the San Bernardino LAFCO Benefits Plan to reflect the recently amended County Exempt Compensation Plan benefit changes. Notice of this consideration has been advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. Individual mailed notice of this hearing was provided to affected and interested agencies, County departments and those agencies and individuals requesting mailed notice.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and is made a part of the record by its reference herein. Ms. McDonald states that last September when the Commission adopted the Benefit Plan, it indicated in Section 101 that it contracts with the County to provide the same level of benefits as the County provides to Exempt employees. She says the Commission has been presented with the changes to the Exempt Compensation Plan that were approved by the County. She says these changes are outlined in the staff report. Ms. McDonald says the staff recommendation is that the Commission: (1) adopt LAFCO Resolution No. 2891 amending the Benefits Plan to reflect the County's Exempt Compensation Plan benefit changes; and (2) direct the Executive Officer to provide copies of the resolution to the Auditor/Controller-Recorder and Manager of the County of San Bernardino's Employee Management and Compensation System for implementation of the changes, effective the same date as the County changes.

Commissioner Hansberger moves approval of staff recommendation, seconded by Commissioner Cox. Chairman Biane calls for objections to the motion. There being none, the voice vote is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Pearson, Williams. Noes: None. Abstain: None. Absent: None.

CONSIDERATION OF ADOPTION OF RESOLUTION FOR ELECTION OF SEVEN DIRECTORS TO SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS – CHOOSE TWO CANDIDATES

LAFCO considers adoption of a resolution for the election of seven Directors to the Special District Risk Management Authority (hereafter "SDRMA") Board of Directors. Notice of this consideration has been advertised as required by law through publication in The Sun, a newspaper of general circulation in the area.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a copy of which is on file in the LAFCO office and made a part of the record by its reference herein. Ms. McDonald says that as a member of the SDRMA, the Commission participates in the elections for its Board members and that Commissioner Sedano is running for a position on that Board. She says the Commission has been presented with the Official Ballot, the Candidate Statements of Qualifications, and a draft resolution for adoption to specify votes for seven Directors. She says LAFCO staff is not familiar with any of the candidates other than Commissioner Sedano.

Commissioner Hansberger says that Commissioner Sedano was one of the founding members of the SDRMA and that it would serve the Commission well if he was on that Board. He says Alan Dyer, a Board Member on the West Valley Water District, is also a candidate and he recommends that the Commission vote only for those two. Commissioner Sedano says he would also recommend that the Commission vote for John Woolley, who was one of the charter members he served with when he was with the SDIA, which is now the SDRMA. He says Mr. Woolley, who is a Supervisor in Humboldt County, is very knowledgeable and has been associated with the JPA.

Commissioner Luellig asks whether it would be advisable to let Commissioner Sedano tell them who to vote for since he is the expert in this field. Commissioner Hansberger says his reason for suggesting voting for only two candidates is because every additional candidate they vote for will injure the likelihood that their candidates will be elected. He says since they have no special knowledge about the other

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candidates, they should vote for those they feel are appropriate and would be of value to the region, which is why he recommends Commissioner Sedano and Mr. Dyer.

Commissioner Gonzales comments that she is familiar with both Commissioner Sedano and Mr. Dyer and holds them both to be in very good standing and that is the direction she thinks the Commission should go.

Commissioner Hansberger moves to adopt LAFCO Resolution No. 2890, voting for Commissioner Sedano and Alan Dyer, seconded by Commissioner Pearson. Chairman Biane calls for any objections to the motion. There being none, the voice vote is as follows: Ayes: Biane, Colven, Cox, Hansberger, Nuaimi, Pearson, Williams. Noes: None. Abstain: None. Absent: None.

Commissioner Sedano thanks the Commission for its vote.

PENDING LEGISLATION

Ms. McDonald states she does not have a pending legislation report. She says she will give the Commission a full report at the September hearing.

EXECUTIVE OFFICER'S ORAL REPORT

Ms. McDonald says the Commission has received a written Executive Officer's Report and that the first issue is a request from the CALAFCO Executive Director that the Commission designate a voting delegate to the CALAFCO Business Meeting. She says the delegate is usually the LAFCO Chairman and reports that Commissioner Biane will be going to the Conference and could be the voting delegate. She notes that he is also running for the Executive Board.

Commissioner Pearson moves to designate Chairman Biane as the voting delegate to the CALAFCO Business Meeting, seconded by Commissioner Cox. He is unanimously selected as the voting delegate.

Ms. McDonald says the Commission has been provided with information on the California Special Districts Association (CSDA) Conference in September in Long Beach. She notes that the Commission authorized Commissioner Sedano to attend since the seating of the SDRMA Board Members will take place. She says no other participation has been budgeted for. She says the Commission has also been presented with a copy of the CALAFCO Newsletter, The Sphere, a copy of the Certificate of Sufficiency for the formation of the Helendale Community Services District, and the Status Report. She says the September agenda will provide for a full morning, with the continued SBVWCD service review/sphere update, an exemption for County Service Area 70 Improvement Zone J and Hesperia Water District to contract for services while a water system is being developed, and two service contracts. She says the County Fire Reorganization, LAFCO 3000, has been received and staff will begin processing it. She notes that the Commission will adjourn today to the Annual Conference.

Ms. McDonald reports that the Commission has been presented with a letter related to a waiver of Legal Counsel conflict regarding the City of Fontana islands. She says she and Mr. Alsop have reviewed this legal counsel conflict question and do not believe there will be any controversy since these will be ministerial considerations. Pursuant to the new policy, she asks that if any Commissioners have any objection to the waiver they contact her no later than August 24.

Chairman Biane comments that Ms. McDonald stated that only one Commissioner was budgeted to attend the CSDA Conference in Long Beach, and he points out that there are other Special District members on the Commission. Ms. McDonald responds that they usually go with their Special District that participates as a member of the CSDA.

COMMISSIONER COMMENTS

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Commissioner Sedano thanks the Commission for its support for his candidacy as a Board Member of the SDRMA.

Chairman Biane also thanks the Commission for its support of his candidacy for the CALAFCO Executive Board and his designation as the voting delegate.

Commissioner Nuaimi provides an update on the Fontana islands process, reporting that the City Council adopted the islands map last night for its 32 islands. He says their survey activity has been completed and they are formulating their outreach strategy consistent with LAFCO policy. He discusses that outreach and education are very important so that people understand the process. Commissioner Hansberger compliments the City for its outreach program.

Commissioner Cox thanks the Commission for continuing the San Bernardino Valley Water Conservation District service review/sphere update. She says this is one of the weightiest items considered in her year on the Commission, with the overlaying of service areas that is an apparent duplicity of services. She says the continuance will give her an opportunity to become more familiar with some of the Associations, including the Upper Santa Ana Water Resources Association. She says she hopes staff will bring some clarity as to who the players in that organization are and provide a better explanation of the Bunker Hill Accord.

COMMENTS FROM THE PUBLIC

Chairman Biane calls for comments from the public. There are none.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION, ON MOTION BY COMMISSIONER PEARSON, SECONDED BY COMMISSIONER COLVEN, THE HEARING IS ADJOURNED AT 9:50 A.M. TO THE CALAFCO ANNUAL CONFERENCE TO BE HELD SEPTEMBER 6-9, 2005, IN MONTEREY, CALIFORNIA.

ATTEST:

DEBBY CHAMBERLIN
Clerk to the Commission

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PAUL BIANE, Chairman