

**MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION  
HEARING OF MAY 17, 2006**

**REGULAR MEETING**

**9:00 A.M.**

**MAY 17, 2006**

**PRESENT:**

<b>COMMISSIONERS:</b>	<b>Bob Colven, Vice Chairman</b> <b>Kimberly Cox</b> <b>James V. Curatalo, Alternate</b> <b>Josie Gonzales, Alternate</b>	<b>Larry McCallon</b> <b>Richard P. Pearson</b> <b>A.R. "Tony" Sedano, Alternate</b> <b>Diane Williams, Alternate</b>
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**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**

**ABSENT:**

**COMMISSIONERS:**

**Paul Biane, Chairman**  
**Dennis Hansberger**  
**Mark Nuaimi**

**9:00 A.M. – CONVENE CLOSED SESSION OF THE LOCAL AGENCY FORMATION COMMISSION –**  
Conference Room, LAFCO Staff Office, 175 West Fifth Street, Second Floor, San Bernardino.

Conference with Legal Counsel – Existing Litigation (Government Code Section 54956.9(a)):  
Center for Biological Diversity v. Local Agency Formation Commission, Case No. SCVSS136990

**RECONVENE MEETING OF THE LOCAL AGENCY FORMATION COMMISSION –** Civic Center  
Hearing Chambers, 175 West Fifth Street, Second Floor, San Bernardino.

**REGULAR SESSION - CALL TO ORDER – 9:20 A.M.**

In the absence of Chairman Biane, Vice Chairman Colven calls the regular session of the Local Agency Formation Commission to order and he leads the flag salute.

Vice Chairman Colven announces that the Commission discussed existing litigation in Closed Session. Legal Counsel Clark Alsop states that the Commission discussed in Closed Session litigation that has been filed by the Center for Biological Diversity. He states that no reportable action was taken in Closed Session.

Vice Chairman Colven requests those present who are involved with any of the changes of organization to be considered today by the Commission and have made a contribution of more than \$250 within the past twelve months to any member of the Commission to come forward and state for the record their name, the member to whom the contribution has been made, and the matter of consideration with which they are involved. There are none.

**SWEAR IN OF REGULAR AND ALTERNATE CITY MEMBERS AND REGULAR PUBLIC MEMBER**

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Clerk to the Commission Debby Chamberlin administers the Oath of Allegiance to Regular City Member Larry McCallon, Alternate City Member Diane Williams and Regular Public Member Richard Pearson, whose terms of office expire in May, 2010.

**ELECTION OF CHAIRMAN AND VICE CHAIRMAN – COMMISSIONER BIANE REELECTED  
CHAIRMAN; COMMISSIONER COLVEN REELECTED VICE CHAIRMAN**

Executive Officer Kathleen Rollings-McDonald presents the staff report for the election of the Chairman and Vice Chairman, 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 Commission rules state that the Chairman and Vice Chairman may serve no more than two consecutive full terms in those offices. She says Commissioners Biane and Colven are available to serve an additional year.

Ms. McDonald opens the nominations for Chairman. Commissioner Williams nominates Commissioner Biane, seconded by Commissioner Gonzales. Ms. McDonald calls for further nominations. There being none, Commissioner Cox moves to close the nominations, seconded by Commissioner Pearson. Ms. McDonald calls for a voice vote on the nomination of Commissioner Biane as Chairman and he is unanimously elected.

Ms. McDonald opens the nominations for Vice Chairman. Commissioner Pearson nominates Commissioner Colven, seconded by Commissioner Cox. Ms. McDonald calls for further nominations. There being none, Commissioner Williams moves to close the nominations, seconded by Commissioner McCallon. Ms. McDonald calls for a voice vote on the nomination of Commissioner Colven as Vice Chairman and he is unanimously elected.

**APPROVAL OF MINUTES FOR REGULAR MEETING OF APRIL 19, 2006 – MINUTES APPROVED AS PRESENTED**

Vice Chairman Colven calls for any corrections, additions, or deletions to the minutes. There are none. Commissioner Pearson moves approval of the minutes as presented, seconded by Commissioner Williams. Vice Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, McCallon, Pearson, Williams. Noes: None. Abstain: Gonzales. Absent: Biane, Hansberger, Nuaimi (Williams voting in his stead).

**CONSENT ITEMS**

LAFCO considers the items listed under its consent calendar. The consent calendar consists of:

- (1) approval of the Executive Officer's expense report;
- (2) approval of payments as reconciled for the month of April 2006 and noting cash receipts;
- (3) consideration of four service contracts identified as:

LAFCO SC#270-City of Fontana Irrevocable Agreement to Annex No. 05-00006 for Sewer Service (Continued from April 19, 2006)

LAFCO SC#277-City of Montclair Irrevocable Agreement to Annex No. 05-25-I-62 for Sewer Service

LAFCO SC#280-City of Fontana Irrevocable Agreement to Annex No. 06-00004 for Sewer Service

LAFCO SC#282-City of Loma Linda Irrevocable Agreement to Annex for Water and Service; and

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- (4) consideration of LAFCO SC#274—Request for Exemption from Government Code Section 56133 for Out-of-Agency Service Agreement for Water Service by City of Rialto to APN 0269-171-41 within City of San Bernardino

Ms. McDonald indicates she has not presented an expense report as she has no significant reportable expenses to submit at this time. Staff reports outlining the staff recommendations for the reconciled payments and each of the other consent items 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 four service contracts and the request for exemption for LAFCO SC#274 have been advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. In addition, the April 19 hearing for LAFCO SC#270, as well as today's hearing for LAFCO SC#280 were advertised in the Fontana Herald News; LAFCO SC#277 was advertised in the Inland Valley Daily Bulletin; and LAFCO SC#282 was advertised in the Loma Linda City News--all newspapers of general circulation in the areas. Individual mailed notice was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice.

Vice Chairman Colven asks if there is anyone present wishing to speak on any of the Consent Calendar items. There is no one.

Commissioner Pearson moves approval of the Consent Calendar, seconded by Commissioner McCallon. Vice Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, Gonzales, McCallon, Pearson, Williams. Noes: None. Abstain: None. Absent: Biane, Hansberger (Gonzales voting in his stead), Nuaimi (Williams voting in his stead).

**DISCUSSION ITEMS**

**CONSIDERATION OF: (1) REVIEW OF MITIGATED NEGATIVE DECLARATION PREPARED BY COUNTY OF AN BERNARDINO FOR GENERAL PLAN AMENDMENT FROM RS-10M TO RS AND TENTATIVE TRACT 17509 TO CREATE 37 LOTS AND THREE LETTERED LOTS, WITH VARIANCE FOR WALL HEIGHTS AND BUILDING SETBACKS ON 9.29+/- ACRES AS CEQA RESPONSIBLE AGENCY FOR LAFCO SC#278; AND (2) LAFCO SC#278 – CITY OF MONTCLAIR IRREVOCABLE AGREEMENT TO ANNEX NO. 06-39-I-72 FOR SEWER SERVICE – APPROVE STAFF RECOMMENDATION**

LAFCO conducts a public hearing to consider an application requesting approval of an irrevocable agreement to annex that outlines the terms by which the City of Montclair will extend sewer service outside its boundaries. The parcel to be served, Assessor's Parcel Number (APN) 1013-041-01 is generally located on the east side of Pipeline Avenue, extending between Phillips Boulevard and Grand Avenue in the southern portion of the City of Montclair's sphere of influence. Notice of this hearing was advertised as required by law through publication in The Sun and the Inland Valley Daily Bulletin, newspapers of general circulation in the area. Individual mailed notice was provided to affected and interested agencies, County departments and those individuals and agencies requesting mailed notice.

LAFCO Analyst Samuel Martinez 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. Mr. Martinez states that the City of Montclair (hereinafter "the City"), submitted an application on behalf of the property owner/developer requesting authorization to extend sewer service to APN 1013-041-01 pursuant to Government Code Section 56133. He reports that the County Land Use Services Department processed and approved a General Plan Amendment and Tentative Tract 17509 to create 37 lots on this 9.29 acre parcel and that the Conditions of Approval placed on this project required connection to the City's sewer facilities. As outlined in the staff report, the parcel will be served through the construction of new eight-inch sewer mains in Grand Avenue, Pipeline Avenue, Phillips Boulevard, and in the two new public streets within the Tentative Tract; and the property owner will be required to construct lateral extensions from the new sewer mains to the 37 lots. Mr. Martinez says staff supports the City's request as this parcel is within the sphere of influence of the City and will become a part of the City sometime in the future. In addition, he says the

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development of the Tentative Tract requires connection to the sewer and there is no entity other than the City that can provide the required level of service.

Mr. Martinez discusses the environmental review, reporting that the County, as the CEQA lead agency, prepared an environmental assessment for the General Plan Amendment and Tentative Tract indicating that the project would not have a significant effect on the environment through its development under the Conditions of Approval approved for the project. He says the Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the City's environmental assessment and indicated it is adequate for the Commission's use as a CEQA responsible agency. The findings required by Commission policy and State law are outlined in the staff report and are a part of the record by reference herein. Mr. Martinez says the staff recommendation is outlined on pages one and two of the staff report and includes that the Commission: (1) take the actions listed for the environmental review; (2) approve SC#278 authorizing the City of Montclair to extend sewer service outside its boundaries to Tentative Tract 17509 on APN 1013-041-01; and (3) adopt LAFCO Resolution No. 2923 setting forth the Commission's findings, determinations and approval of the agreement for service outside the City's boundaries.

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

Commissioner Sedano comments that the City of Montclair does an outstanding job every time it comes before this Commission with a proposal.

Commissioner Cox moves approval of staff recommendation, seconded by Commissioner Gonzales. Vice Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, Gonzales, McCallon, Pearson, Williams. Noes: None. Abstain: None. Absent: Biane, Hansberger (Gonzales voting in his stead), Nuaimi (Williams voting in his stead).

**CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR LAFCO 3049; AND (2) LAFCO 3049 – CITY OF SAN BERNARDINO ANNEXATION NO. 359 (DEL ROSA ISLAND) – APPROVE STAFF RECOMMENDATION**

LAFCO conducts a public hearing to consider the proposed annexation of a totally surrounded unincorporated island of territory located in the eastern sphere of influence of the City of San Bernardino (hereinafter referred to as "the City"). The annexation area includes approximately 99+/- acres generally bordered by State Highway 30 on the north, a combination of Del Rosa and Park Avenues on the east, by parcel lines below Orchid Drive on the south, and parcel lines westerly of Mountain Avenue on the west. Notice of this hearing was advertised as required by law through publication in The Sun, a newspaper of general circulation in the area. Individual mailed notice was provided to affected and interested agencies, County departments, those individuals and agencies requesting mailed notice, and landowners and registered voters pursuant to State law and Commission policy.

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 shows an aerial map of the island location on the overhead display and says the City brought forth this application in response to the tragic death of Mynisha Crenshaw. She says the City and the County responded to this tragedy by increasing law enforcement and Code Enforcement activities and the City directed its staff to look at this island annexation and take aggressive steps to bring it into the City to coordinate the activities in that area. She notes that the City's Plan for Service indicates some concern regarding the ability to provide for service because of the cost, but she says the City has moved forward on the basis that a coordinated and effective approach to law enforcement, fire protection, paramedic service and code enforcement is better pursued through a unified source—the City.

Ms. McDonald says that in staff's view, this proposal is a ministerial action, on the basis of Government Code Sections 56375(a) and 56375.3 which indicate that if certain findings are made, the Commission does not have the ability to deny an island annexation initiated by City resolution. She discusses those

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findings, which staff believes are easily made in this case, which are outlined on page 9 of the staff report. Therefore, she says the Commission should approve this proposal regardless of registered voter or landowner protest.

Ms. McDonald states that the land use issues are outlined in the staff report. She shows photos of the area, which is predominately apartment units. She reports that LAFCO staff and members of the City and County Planning staffs met to review potential problems that may occur through the current processing of development applications in this area. She says there are three proposals with County Planning currently in this area that could be affected by this action but she says the City has submitted a letter, a copy of which is attached to the staff report, indicating that it will honor the County's development approvals for the projects, with the proviso that the City retains the ability to require compliance with City standards. She says that if there are projects that have not been identified and have been processed through the County, the City will honor those as well.

Ms. McDonald discusses the service issues and says that staff is recommending as a condition of approval that the City succeed to the special tax imposed by County Service Area 38 Improvement Zone L. She explains that is a special tax for the funding of paramedic services, with a charge of \$19 per dwelling unit and \$38 for commercial properties. She says this special tax was adopted by the registered voters in Zone L and it will be transferred to the City to allow for the maintenance of that funding stream. She points out that the City is not allowed to extend its utility tax without the ability to have an election on the annexation. She discusses the transfer of existing streetlights that will occur as a condition of approval. Regarding environmental review, Ms. McDonald says the Commission's Environmental Consultant, Tom Dodson of Tom Dodson and Associates, recommends that a Statutory Exemption be adopted since this is a ministerial action and the Commission has no discretion and must approve the project.

The findings required by State law and Commission policy are outlined in the staff report and are made a part of the record by reference herein. Ms. McDonald says the staff recommendation is outlined on pages one and two of the staff report and include that the Commission: (1) adopt the Statutory Exemption and direct the Clerk to file a Notice of Exemption within five days; (2) approve LAFCO 3049 as an island annexation, as defined in Government Code Section 56375.3, with the conditions listed in the staff report; (3) waive the protest proceedings, as permitted by Government Code Section 56375.3; and (4) adopt LAFCO Resolution No. 2924 setting forth the Commission's findings and determinations concerning this proposal. She notes that although over 1000 notices were sent out to landowners and voters, LAFCO staff only received one response. She reports that the City received a number of responses from people questioning the land use issues and the transfer of legal, nonconforming uses, but she says no expression of opposition was submitted to LAFCO. She commends the City for moving forward with this annexation.

Vice Chairman Colven asks if this annexation is the forerunner of more to come. Ms. McDonald responds that the City is moving forward to initiate 13 substantially surrounded islands and the applications will be submitted in June.

Vice Chairman Colven opens the public hearing and asks if there is anyone wishing to speak on this item. There is no one and he closes the hearing.

Commissioner McCallon moves approval of staff recommendation, seconded by Commissioner Gonzales.

Commissioner Gonzales discusses the extremely positive leadership she says is taking place in the City. She says the City has determined to step forward and get a handle on a few situations that have gotten out of control, with the situation in this island leading the way. She says the photos show the clear discrepancy between one standard of maintenance versus another down the middle of a street and she says these types of visual and environmental differences need to end.

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Ms. McDonald says a City representative is present if there are any questions. There are none. Vice Chairman calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, Gonzales, McCallon, Pearson, Williams. Noes: None. Abstain: None. Absent: Biane, Hansberger (Gonzales voting in his stead), Nuaimi (Williams voting in his stead).

**CONSIDERATION OF: (1) CEQA STATUTORY EXEMPTION FOR FEE SCHEDULE REVISIONS;  
AND (2) REVIEW AND ADOPTION OF FILING FEE SCHEDULE FOR FISCAL YEAR 2006-07 –  
APPROVE STAFF RECOMMENDATION**

LAFCO conducts a public hearing to review and adopt the Schedule of Fees and Charges for Fiscal Year 2006-07 and policy amendments and additions related to implementation of the Schedule of Fees and Charges, to be effective June 1, 2006. Notice of this hearing has been advertised as required by law through publication in The Sun, a newspaper of general circulation. Individual notice of this hearing was provided to affected and interested agencies, County departments, Cities/Towns, Independent Special Districts, the County, 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 states that following the April hearing, staff forwarded a copy of the proposed Fee Schedule and implementation policies to each of the Cities/Towns, Independent Special Districts, and to the County Administrative Office for review and comment. She says the staff report indicates that no comments had been received by the May 4 publication date and she reports that no comments have been received to date either in support or opposition to the recommended changes. Ms. McDonald says that the staff recommendation is outlined on page one of the staff report and includes that the Commission: (1) certify that the proposed revisions to the Schedule of Fees and Charges are statutorily exempt from the provisions of the California Environmental Quality Act and instruct the Clerk to file a Notice of Exemption within five days; (2) adopt the Schedule of Fees and Charges and policy amendments and additions related to implementation of the Schedule of Fees and Charges, as presented, to be effective June 1, 2006 and (3) adopt LAFCO Resolution No. 2925 reflecting the Commission's determinations related to the Schedule of Fees and Charges.

Vice Chairman Colven opens the public hearing and asks if there is anyone wishing to speak on this item. There is no one and he closes the hearing.

Commissioner Pearson moves approval of staff recommendation, seconded by Commissioner Gonzales. Vice Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, Gonzales, McCallon, Pearson, Williams. Noes: None. Abstain: None. Absent: Biane, Hansberger (Gonzales voting in his stead), Nuaimi (Williams voting in his stead).

**REVIEW AND ADOPTION OF FINAL BUDGET FOR FISCAL YEAR 2006-2007 – APPROVE STAFF RECOMMENDATION**

LAFCO conducts a public hearing to review and adopt the Final Budget for Fiscal Year 2006-07. Notice of this hearing has been advertised as required by law through publication in The Sun, a newspaper of general circulation. Individual notice of this hearing was provided to affected and interested agencies, County departments, Cities/Towns, Independent Special Districts, the County, 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 states that following the April hearing, staff forwarded a copy of the adopted Proposed Budget to each of the Cities/Towns, Independent Special Districts, and to the County Administrative Office for review and comment. She reports that two verbal comments were received—one from the City of Ontario questioning the apportionment process and requesting clarification of the statutory authority to do so, and one question from an Independent Special District as to how its rates changed from year to year. She says neither agency expressed opposition to any items included in the Proposed Budget for the

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upcoming year. She notes that the staff report includes an outline of changes proposed for the CALAFCO membership dues, which will be considered at the annual CALAFCO Conference in September, which she says was not acknowledged in last month's discussion. She reports that the increased cost of \$4,000 for the upcoming year was included in the Proposed Budget, but she notes that staff did not outline that this will be a three-year process that ultimately proposes to set this Commission's membership dues at \$7,000 per year.

Commissioner Cox asks what benefits the Commission receives by being a member of CALAFCO. Ms. McDonald responds that CALAFCO has a legislative arm which moves forward legislation that is pertinent to LAFCO; that it puts on the annual conference and wants to move forward with its educational component, the CALAFCO University, to conduct sessions not only for new Commissioners and staff but also for the CSDA, CSAC and other organizations to provide a better understanding of what LAFCO does. She points out that much of what CALAFCO does is done with volunteers, noting that she has participated on the Legislative Committee for several years.

Commissioner Pearson asks whether this Commission gets any credit for paying in the past for Clark Alsop's service as CALAFCO Legal Counsel. Ms. McDonald says she asked that question and was told that this dues increase would not be necessary if San Bernardino LAFCO had continued to pay for Mr. Alsop's services. Legal Counsel Clark Alsop explains that for this Commission, this dues increase is a benefit since San Bernardino LAFCO had been paying for his services as CALAFCO Legal Counsel since 1982, which it no longer does. Ms. McDonald also notes that Chairman Biane is on the CALAFCO Executive Board and is the Co-Chair for the Conference Program Planning Committee.

In response to inquiry of Commissioner Pearson, Ms. McDonald says that Dan Schwartz, who had been the Legislative Chair, has taken a job as the Assistant City Manager of a city in Napa County. She says finding his successor is an on-going concern for CALAFCO since there are very important legislative issues being discussed in the State Legislature. Mr. Alsop reports that the CALAFCO Executive Board met last month in Burbank and discussed this issue. He says that the contract for CALAFCO Executive Director Bill Chiat was amended so that he will serve as the Legislative Chair through the end of this Fiscal Year. He says CALAFCO membership will be presented with two budgets—one for how to fund the organization if the dues increase does not pass and the other if the increase does pass. He says if the dues increase does not pass, some services will have to be reduced or cut out.

Commissioner Sedano comments that doing the increase on a three-year plan, rather than one year at a time which he has always been opposed to, shows good thinking on the part of CALAFCO. He says that maybe he reached someone by talking about this issue so much at the Conference since CALAFCO has now presented a three-year plan. Ms. McDonald says that CALAFCO would have rather had the full increase the first year, but she says many people were taken aback by the increase so the three-year plan works better.

Commissioner Curatalo questions why the Regular Salary amount for Fiscal Year 2006-07 is less than the amount for 2005-06. Ms. McDonald responds that \$10,000 was transferred last month from the Salary account due to issues related to her salary increase and some increases in retirement. However, she says the full amount was transferred into the Salary line item to spread the costs. She reports that the amount budgeted for next year will accommodate her salary increase and the three percent increase for the other four employees.

Vice Chairman Colven opens the public hearing and asks if there is anyone wishing to speak on this item. There is no one and he closes the hearing.

Commissioner Gonzales moves approval of staff recommendation, seconded by Commissioner Pearson. Vice Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, Gonzales, McCallon, Pearson, Williams. Noes: None. Abstain: None. Absent: Biane, Hansberger (Gonzales voting in his stead), Nuaimi (Williams voting in his stead).

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**PENDING LEGISLATION REPORT**

Ms. McDonald presents the staff report on pending legislation, a copy of which is on file in the LAFCO office and is made a part of the record by reference herein. Ms. McDonald reports that AB 2223, a bill to extend the sunset date for island annexations to 2014, was heard in the Assembly Local Government Committee and passed unanimously. She says the change to 150 acres in 2005 made a difference to its applicability in this County and others. She says that it was requested that at least a three-year period be given to allow the cities to review this bill's application and the Commission's policy changes. She notes that the real hurdle will be in the Senate Local Government Committee which does not like the change that removed the right of protest. She says that all the cities have been advised to anticipate that these provisions will expire January 1, 2007, and she states that any island annexation must be completed prior to that date. She says that staff is asking that the Commission adopt a position in support of AB 2223 and says a draft letter was included in the agenda packages indicating support for the extension of the timeframe for completion of an island annexation. She reports that a copy of AB 2699 has been provided and says it relates to the Habitat Mitigation Act of 2006 and proposes that requirements be put in place on entities that receive mitigation lands and endowment funds to make sure the lands support the mitigation activities and that endowment funds are actually used for preservation of lands. She reports that AB 3074 is the LAFCO omnibus bill presenting non-substantive changes to LAFCO law and that AB 2259 extends the sunset date from 2007 to 2013 for LAFCO review of proposals that intend to extend services to new unincorporated communities. She says these bills were scheduled for consideration by the Assembly Committee on Local Government on May 10.

Ms. McDonald reports that there is no current status available on AB 1602, a bill to correct the Motor Vehicle-in-Lieu funding for newly-incorporating cities. She notes that the CALAFCO Legislative Committee is not clear as to what the holdup is on this bill; that the item was set for hearing in the Assembly Local Government Committee but was pulled by the Author and never returned. Vice Chairman Colven asks whether there would be a nexus for the pending Bloomington incorporation if this issue comes to life. Ms. McDonald says that if AB 1602 passes, it sets forth a new procedure to assign Motor Vehicle-in-Lieu revenues to newly-incorporated cities, but she says it is not a return to the old way of doing business but is another machination for providing revenues that all the cities will have to agree to. She explains that because the pot of money to be reallocated addresses only the cities, the larger cities in the State decided they wanted to wait and look at the implications if they agree to this.

Ms. McDonald reports that last Friday she, Chairman Biane and Mr. Alsop participated in the CALAFCO Legislative Committee meeting. She says she presented the Commission's concerns related to the appellate court decision regarding spheres of influence and principal county status and the Commission's position that it would like that to be rectified legislatively. She says she and Mr. Alsop do not agree with the appellate court's interpretation as far as the definition of a principal county having the authority to declare a sphere in another county where there is no requirement for coordination with the adjoining agencies, districts and cities. She says she was placed on a committee with Placer and Nevada LAFCOs to look into this issue.

Commissioner Cox moves approval of staff recommendation to direct staff to forward a letter of support for AB 2223 extending the island annexation provisions, seconded by Commissioner Pearson. Vice Chairman Colven calls for a voice vote on the motion and it is as follows: Ayes: Colven, Cox, Gonzales, McCallon, Pearson, Williams. Noes: None. Abstain: None. Absent: Biane, Hansberger (Gonzales voting in his stead), Nuaimi (Williams voting in his stead).

**EXECUTIVE OFFICER'S ORAL REPORT**

Ms. McDonald states that the Commission has been presented with a written Executive Officer's report, a copy of which is on file in the LAFCO office and is made a part of the record by reference herein. She says the report includes a letter from the CALAFCO Executive Board requesting nominations for membership on the Executive Board to be voted on at the Conference. She notes that there are two positions for each category. She says that if anyone is interested in running for a position, an item will be placed on the June agenda to adopt the appropriate resolution of nomination.

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Ms. McDonald says the June agenda will have the dissolution of Parker Dam Recreation and Park District, annexations to the Running Springs Water District and Bighorn-Desert View Water Agency and the formation of the Helendale Community Services District, as well as a Closed Session to convey any known outcome of the existing litigation filed by the Center for Biological Diversity. She announces that the July hearing is being cancelled due to the pending move of the staff office. She says the August hearing, which will be held in the City of San Bernardino Council Chambers, will have a small annexation to the City of Redlands along Wabash Avenue and, most important, the Fontana island annexations.

Ms. McDonald states that she gave the Commission a copy of SB 1191 which proposes a change in the environmental review process for environmental impact reports and says it contains some very interesting issues regarding cumulative impacts. She says she will provide a better outline of this legislation next month. She says the Commission received the Status Report and can see that the activity level is not diminishing. She reports that the City of Colton is initiating the annexation of seven islands; that the City of San Bernardino is initiating 13 islands; the City of Montclair has initiated one and may initiate two more; and that the City of Hesperia may initiate three or four. She says staff is making sure the island annexations are processed so they can be completed by the deadline, which she says moves back consideration of the municipal service reviews. She reports that staff is continuing to process the County Fire Reorganization and is awaiting submittal of additional information regarding it. She says the City of Fontana has proposed an alternative proposal and staff is awaiting submission of an updated Plan for Service and other material from the City.

Ms. McDonald reports on the plan for the staff office move. Vice Chairman Colven comments that the issue of security at the City Council Chambers was brought up last month. Ms. McDonald reports that security will be available during the hearings and she says any response will be by City Police. Commissioner Pearson requests that staff provide maps to show the office, hearing and parking locations. Vice Chairman Colven says comments were also made last month about the City's logo behind the dais. Ms. McDonald says that if the Commission is uncomfortable with that logo showing, a screen can be brought down to cover it. Commissioner Williams says she thinks it would be a good idea to start out by covering it because it has been mentioned that people in the audience could perceive the City's logo showing as inappropriate.

Commissioner Gonzales suggests they could possibly have a backdrop as an image. She also comments that the ability to have hearings broadcast over the public access channel would increase the awareness of LAFCO. Ms. McDonald says staff is trying to put together a contract with the City for video production and she says once they have a contract, staff will contact the cable channels and offer copies of the hearings. Commissioner Gonzales says she will help with that in any way she can.

Commissioner Cox says her only lament is that the Alternates will not sit at the dais. She asks if there is any way to make room for them at the dais. Ms. McDonald responds that there is no way to fit more chairs at the dais. She notes that the Alternates will sit at an area up front from where they can participate and she says they will appear on the video recording. She says there are not many places that will accommodate eleven members at a dais.

Vice Chairman Colven comments that the agreement with the City provides for one meeting a month and he asks whether there is any viability for special sessions if necessary. Ms. McDonald says staff can request additional hearing dates but she says there will be an additional charge and they will have to work within the City's limitations on availability. Commissioner Gonzales says she is willing to offer accommodations for a workshop in the Citrus Room or the Magda Lawson Room at the County Government Center. Ms. McDonald says the Commission has met in the past on the fifth floor for a workshop session, but she says there can be a great deal of public in attendance. She notes that there is a large conference room where the staff office is moving that can be used and will accommodate 30 to 40 people.

**COMMISSIONER COMMENTS**

**MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION  
HEARING OF MAY 17, 2006**

Commissioner Sedano says he is very happy to see Commissioner Gonzales, who recently had surgery, present at the hearing today. Commissioner Gonzales reports on her recovery from the surgery.

**COMMENTS FROM THE PUBLIC**

Vice Chairman Colven calls for comments from the public. There are none.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION, THE HEARING IS  
ADJOURNED AT 10:25 A.M. ON MOTION OF COMMISSIONER WILLIAMS, SECONDED BY  
COMMISSIONER GONZALES.**

**ATTEST:**

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**DEBBY CHAMBERLIN**  
Clerk to the Commission

**LOCAL AGENCY FORMATION COMMISSION**

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**PAUL BIANE, Chairman**