

**MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION
HEARING OF JUNE 20, 2012**

REGULAR MEETING

9:00 A.M.

JUNE 20, 2012

PRESENT:

COMMISSIONERS:	Jim Bagley	Brad Mitzelfelt
	Ginger Coleman	Janice Rutherford
	Kimberly Cox, Vice-Chairman	Sunil Sethi, Alternate
	James Curatalo, Chairman	Robert Smith, Alternate
	Neil Derry, Alternate	Diane Williams, Alternate
	Larry McCallon	

STAFF:

Kathleen Rollings-McDonald, Executive Officer
Clark Alsop, Legal Counsel
Samuel Martinez, Assistant Executive Officer
Michael Tuerpe, Project Manager
Anna Raef, Recording Secretary
Rebecca Lowery, Deputy Clerk to the Commission

ABSENT:

COMMISSIONERS:

None

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

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

**CONDUCT INTERVIEWS FOR ALTERNATE PUBLIC MEMBER CANDIDATES AND
SELECTION OF ALTERNATE PUBLIC MEMBER – SUNIL SETHI SELECTED AS
ALTERNATE PUBLIC MEMBER**

(Commissioners Cox recuses herself from selection of the Alternate Public Member and leaves the dais at 9:08 a.m.)

Chairman Curatalo thanks everyone who has expressed a desire to serve on the Commission. He explains that each candidate will have three minutes to address the Commission. He says that the candidate chosen will be asked to come forward and the oath of office will be administered. Following the administration of the oath of office, the new Commissioner will join the Commission at the dais for the remainder of the meeting. He says that, in order to be selected, four votes are required and the successful candidate must receive a vote from at least one Commissioner representing

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each category of the Commission: County, City and Special District. The Public member does not participate in the vote. He notes that every Commissioner has been provided with the background information provided by each candidate.

Chairman Curatalo calls Victoria Fuller to the podium. Ms. Fuller is not present. Executive Officer Kathleen Rollings-McDonald states she has not received notification that Ms. Fuller would not attend today's hearing; however, the Commission has her application materials. She notes that Steven Whitten of Yucca Valley is unable to attend today's hearing because of a longstanding vacation plan.

Leonard Goldman addresses the Commission and states that he is a resident of the City of Redlands. He says that he takes this responsibility very seriously and believes that we are a nation of laws, not of men. He believes that through his studies of psychodrama he has become a good listener and would be able to listen carefully to the positions of all parties. He has been visiting the Morongo Valley for many years and recently was appointed to the Banning Science and Technology Advisory Board. He says his background is in engineering and working for the VA Hospital. He has taken a class in government management through Supervisor Flynn in Ventura County, where he became familiar with the function of LAFCO.

James Harvey addresses the Commission and thanks the Commission for the opportunity. He says he believes the Commission has been looking for someone who has life experience from a broad spectrum, has respect from his peers, can interpret information and form sound informed decision, and has government experiences. He says he was born and raised in New York State and moved to Chicago after high school and lived there for 17 years and has lived in Johnson Valley since 2001. He believes that he would understand the perspective of citizens who live in an urban setting and vice versa. He states he has served three consecutive years as chairperson of the Homestead Valley Community Council. He has had many articles written about him, including one titled "Man of the People" in the San Bernardino Sun, which touted his actions to expose misconduct in the local water district. He formed the Alliance for Responsible Energy Policy in 2008 and has commented in many articles on the subject. He says he has shown his ability to interpret information and form sound decisions with both of the above organizations. He says he was elected to the Lucerne Valley school board in 2010 and has made it a high priority to educate himself in governance and is very comfortable in Board and Brown Act environments.

Sunil Sethi addresses the Commission and thanks the Commission for the opportunity to serve as a member of the Commission. He says his background in business has taught him how important sensible government is. He values and respects community service and would be honored to serve the citizens of San Bernardino County and to represent them on the Commission. He says that, if chosen, he will be dedicated to learning issues that come before the Commission. He will always keep foremost in his thought that he represents all of the citizens of San Bernardino County. He says he will always be respectful to all persons and give fair and honest consideration to all input. He concludes by stating that he is honest, hardworking, gets along well with people and is capable of learning. He is honored to take part in the American system of government.

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(Commission Bagley recuses himself and leaves the dais at 9:10 a.m.)

Commissioner Rutherford nominates Sunil Sethi as the Alternate Public Member of the Commission, second by Commissioner Coleman. Chairman Curatalo calls for opposition to the motion. There being no opposition, the motion passes with the following vote: Ayes: Coleman, Curatalo, McCallon, Mitzelfelt, Rutherford. Noes: None. Abstain: Bagley, Cox. Absent: None.

SWEAR IN ALTERNATE PUBLIC MEMBER OF THE COMMISSION

Recording Secretary Anna Raef administers the oath of office to Mr. Sethi, and Mr. Sethi takes his place at the dais. Chairman Curatalo welcomes Commissioner Sethi and says it is a pleasure to have him.

(Commissioners Cox and Bagley return to the dais at 9:20 a.m.)

CONSENT ITEMS – APPROVE STAFF RECOMMENDATIONS

3. Approval of Minutes for Regular Meeting of May 16, 2012
4. Approval of Executive Officer's Expense Report
5. Ratify Payments as Reconciled for Months of April and May 2012 and Note Cash Receipts
6. Approval of Fiscal Year 2003-04 Financial Records Destruction Pursuant to Commission Policy
7. Review and Adoption of Resolution No. 3162 for LAFCO 3104 - Service Review and Sphere of Influence Update for Twentynine Palms Water District

A Visa Justification for the Executive Officer's expense report, as well as a staff report outlining the staff recommendations for the reconciled payments, the financial records destruction, and Resolution No. 3162 for LAFCO 3104, have been provided, copies of each are on file in the LAFCO office and are made a part of the record by their reference here.

Commissioner McCallon moves approval of the consent calendar, second by Commissioner Cox. Chairman Curatalo calls for opposition to the motion. There being no opposition, the motion passes with the following vote: Ayes: Bagley, Coleman, Cox, Curatalo, McCallon, Mitzelfelt, Rutherford. Noes: None. Abstain: None. Absent: None.

PUBLIC HEARING ITEMS:

CONSENT ITEMS DEFERRED FOR DISCUSSION

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**CONSIDERATION OF REQUEST FOR RECONSIDERATION OF LAFCO 3152 –
SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR TWENTYNINE
PALMS PUBLIC CEMETERY DISTRICT – APPROVE STAFF RECOMMENDATION**

LAFCO conducts a continued public hearing to consider a Request for Reconsideration of LAFCO 3152 – Service Review and Sphere of Influence Update for Twentynine Palms Public Cemetery District.

Project Manager Michael Tuerpe 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 here. He states that at the last hearing the Commission considered service reviews for the Twentynine Palms Community, and included was the Twentynine Palms Cemetery District. He says staff outlined its concerns regarding the District and the Commission determined to monitor the District for the next five years, assign a zero sphere of influence, and to defer consideration of the resolution to today's hearing. In the interim, District staff has indicated that the District's audits will be released within the next few days. Therefore, LAFCO staff asks for reconsideration of the service review in order to review the financial data. LAFCO staff requests that the Commission approve reconsideration of LAFCO 3152 and continue it to the August 15, 2012 hearing.

Chairman Curatalo calls for questions or comments from the Commission. Commissioner Bagley asks that the representative from the District speak. Chairman Curatalo calls upon the District representative.

Elizabeth Laferriere, District Board member, thanks the Commission for the opportunity to speak. She assures the Commission that the Board is totally concerned. She says the Board became aware on May 17 that the Commission advised the District in March of the concerns of staff. The Board was unaware until it was broadcast on radio stations in the area. At that time the Board met with the secretary of the District and the Board gave the secretary 60 days to provide the necessary audits and information. She states that the Board is now hands-on helping the secretary with any decisions she is unable to make.

Chairman Curatalo calls for questions from the public. There are none. Chairman Curatalo closes the public hearing.

Commissioner Bagley moves approval of the staff recommendation to reconsider LAFCO 3152 and to continue the item to the August meeting, second by Commissioner Cox. Commissioner Cox applauds the Board of Directors for getting involved. Chairman Curatalo calls for opposition to the motion. There being no opposition, the motion passes with the following vote: Ayes: Bagley, Coleman, Cox, Curatalo, McCallon, Mitzelfelt, Rutherford. Noes: None. Abstain: None. Absent: None.

ADDITIONAL CONSENT ITEMS DEFERRED FOR DISCUSSION – NONE

**CONSIDERATION OF CEQA STATUTORY EXEMPTION FOR LAFCO 3101; AND
LAFCO 3101 - SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR
CITY OF TWENTYNINE PALMS (CONTINUED FROM MAY 16, 2012 HEARING) –**

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**APPROVE STAFF RECOMMENDATION TO CONTINUE TO AUGUST 15, 2012
HEARING**

LAFCO conducts a public hearing to consider CEQA Statutory Exemption for LAFCO 3101; and (2) LAFCO 3101 - Service Review and Sphere of Influence Update for City of Twentynine Palms. As required by State Law notice of the original hearing was provided through publication in a newspaper of general circulation, the *Hi-Desert Star*. Individual notice was not provided as allowed under Government Code Section 56157 as such mailing would include more than 1,000 individual notices. As outlined in Commission Policy #27, in-lieu of individual notice the notice of hearing publication was provided through an eighth page legal ad. As required by State law, individual notification was provided to affected and interested agencies, County departments, and those agencies and individuals requesting mailed notice.

Project Manager Michael Tuerpe 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 here. He states that, at the last hearing, the City of Twentynine Palms requested that the final determination be continued, giving the City time to meet with the City Council to determine its position on the staff recommendation. Following the May hearing, the City Council met and determined that it agrees with staff recommendations. Mr. Tuerpe states that today's action will finalize the service review for the City.

Chairman Curatalo calls for questions from the Commission. There are none.

Chairman Curatalo calls for questions from the public. There are none. The public hearing remains open.

Commissioner Coleman moves approval of the staff recommendation to continue the item to the August meeting, second by Commissioner Bagley. Commissioner Bagley comments that this was an issue of a sphere of influence expansion into a water district area, where fire service is not funded by an ad valorem tax. He says the City Council agrees that this is an issue that needs to be resolved with long-term fire service. Chairman Curatalo calls for opposition to the motion. There being no opposition, the motion passes with the following vote: Ayes: Bagley, Coleman, Cox, Curatalo, McCallon, Mitzelfelt, Rutherford. Noes: None. Abstain: None. Absent: None.

**SERVICE REVIEW FOR THE CITY OF BIG BEAR LAKE DEPARTMENT OF WATER
AND POWER AND CONSIDERATION OF CEQA STATUTORY EXEMPTION FOR
LAFCO 3125; AND LAFCO 3125 - SERVICE REVIEW AND SPHERE OF INFLUENCE
UPDATE FOR CITY OF BIG BEAR LAKE (TO BE CONTINUED TO AUGUST 15,
2012 HEARING) – APPROVE STAFF RECOMMENDATION**

LAFCO conducts a continued public hearing to consider Service Review for the City of Big Bear Lake Department of Water and Power and Consideration of CEQA Statutory Exemption for LAFCO 3125; and LAFCO 3125 - Service Review and Sphere of Influence Update for City of Big Bear Lake.

Assistant Executive Officer Samuel Martinez presents the staff report, a copy of which

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is on file in the LAFCO office and is made a part of the record by its reference here. He states that the City's Department of Water and Power has requested an additional continuance based upon the pending approval of its Urban Water Management Plan. He states that LAFCO staff supports this request.

Chairman Curatalo calls for questions from the Commission. There are none.

Chairman Curatalo calls for questions from the public. There are none. The public hearing remains open.

Commissioner McCallon moves approval of the staff recommendation to continue the item to the August meeting, second by Commissioner Bagley. Chairman Curatalo calls for opposition to the motion. There being no opposition, the motion passes with the following vote: Ayes: Bagley, Coleman, Cox, Curatalo, McCallon, Mitzelfelt, Rutherford. Noes: None. Abstain: None. Absent: None.

CONSIDERATION OF CEQA STATUTORY EXEMPTIONS FOR APPROVAL OF AMENDMENTS TO POLICY AND PROCEDURE MANUAL; AND REVIEW AND ADOPTION OF AMENDMENTS TO LAFCO POLICY AND PROCEDURE MANUAL INCLUDING, BUT NOT LIMITED TO:

- **ENVIRONMENTAL REVIEW**
- **RULES AND REGULATIONS AFFECTING SPECIAL DISTRICTS**
- **SERVICE REVIEWS UNDER GOVERNMENT CODE SECTION 56430**
- **DISADVANTAGED UNINCORPORATED COMMUNITIES**
- **ISLAND ANNEXATIONS UNDER GOVERNMENT CODE SECTION 56375.3**

LAFCO conducts a public hearing to consider CEQA Statutory Exemptions for Approval of Amendments to Policy and Procedure Manual; and (2) Review and Adoption of Amendments to LAFCO Policy and Procedure Manual.

Executive Officer Kathleen Rollings-McDonald presents the staff report, a complete copy of which is on file in the LAFCO office and is made a part of the record by its reference here. She states that today's consideration began two and one-half years ago, when the Commission directed staff to review its policy and procedure manual and its island annexation policies. Staff's review indicated that a total rework of the manual was necessary. She says that included in the material today is information regarding disadvantaged unincorporated communities (hereinafter shown as "DUCs") as related to SB244 requirements that went into effect January 1, 2012, and service review implications from that bill. The Commission's environmental consultant has provided an update to the administrative environmental procedures and policies.

With regard to disadvantaged unincorporated communities, Ms. McDonald states that staff has identified that, pursuant to the code section, the definition in San Bernardino County is an annual median income for a family of four of \$46,285. Staff has developed the proposed policy based upon ESRI's business analyst model, which is used by the County's Economic Development Department and in the County's visioning process. Staff is recommending that the Commission utilize this data set in order to be

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consistent with the County as it moves forward with its vision project. She indicates on the overhead display disadvantaged unincorporated areas in the valley, mountains, north desert, and south desert. She says staff proposes that the Commission adopt a policy that it will use ESRI business analyst data to determine these communities and that the Commission will determine that "community" shall be defined as it is shown in planning law; i.e., an inhabited area within the County that is comprised of no less than 10 dwelling units adjacent or in close proximity. Regarding annexations, SB244 requires that any city annexation exceeding 10 acres must include annexation of any adjacent DUC. Staff proposes that the Commission adopt a policy that differentiates between the valley, mountains and desert communities. For the valley and mountain areas, the definition would be 10 acres, but for the north and south desert cities the definition would be at least 25 acres. She states that provision is also included which allows the Commission to override Government Code 56375(a)(8), and staff requests that the Commission determine that in implementing it, it consider written evidence of opposition to include an application for sphere of influence removal or petitions for creation of a new government that were unsuccessful. She says that staff believes that, while disadvantaged unincorporated communities provisions are seeking a solution, it does not believe that they are really addressing the need. She notes that, while the City of Hesperia has very minor territory within its sphere that complies with the DUC definition, the incorporated area of the City does meet the criteria. The same is true of the south desert cities.

Ms. McDonald states that staff received the Attorney General opinion regarding island annexations on June 5, 2012. The opinion addresses three basic questions: what constitutes an island within the meaning of the island annexation provisions, especially related to the substantially surrounded criteria; whether the Government Code requires the annexation of an entire island as set forth in that statute; and may LAFCO split up an island that exceeds 150 acres into smaller parcels in order to comply with these directives. She says the staff report provides a synopsis of the rulings that were included in the opinion. The opinion identifies that the island must be totally or substantially surrounded and may not be part of another island that is substantially or totally surrounded in the same manner. She says the opinion states that LAFCO may not split up an island that exceeds 150 acres into smaller segments. LAFCO legal counsel has reviewed the opinion and has questions about conclusions identified in the footnote on page 9 of the opinion. She says staff believes the review of the opinion identifies the need for further clarification on Item No. 1 of the existing island annexation policy relating to the substantially surrounded criteria identified as 52 percent of the linear length of the boundary constituting substantially surrounded. In 2005 staff recommended that 60 percent would comply with the general meaning that it is surrounded to a large degree or in the main. She says that 60 percent is recommended, but other LAFCOs have used 66 or 70 percent.

In addition, she says that the opinion reasserts the definitions of the *Fig Garden Park No. 2 Assn. v. LAFCO* decision, which discusses breaking up of larger unincorporated islands. The opinion does not give a mathematical equation, but it does state that larger islands cannot be broken up unless the piece can stand on its own as a substantially surrounded island. She says the case of *City of El Cajon v. San Diego LAFCO* relates to the question of substantially surrounded. The appellate court ruled that an island was

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substantially surrounded even though it opened up into a larger unincorporated area.

Included in the staff report is Policy Declaration No. 2 relating to obtaining consent from the County Redevelopment Agency to move forward with an island annexation. Staff proposes that this be removed, considering the demise of redevelopment agencies throughout the state.

Regarding the policies and practices of the Commission requiring islands to be addressed as part of a larger development related annexation, at the September 2011 hearing, the Commission rejected staff's recommendation for a policy on the basis that SB89 had been adopted by the State. SB89 removed the discretionary funding, motor vehicle in lieu revenues, which was provided to cities for inhabited annexations occurring after 2004. She cites the City of Fontana as an example, which lost \$1.3 million as a result of SB89. Staff was then directed to write a policy that the Commission would not apply that practice and why. She notes that page 11 of the staff report shows a policy declaration that reflects that, because of the passage of SB89, the Commission will not require annexation of island areas as part of a development related annexation, and the Commission believes that the removal of this discretionary funding renders island annexations unsustainable without additional revenues, and discussion of supplemental funding would necessitate a protest process. In addition, in order to keep the Commission apprised of the effects of this change, staff is directed to return to the Commission with an information item for any reorganization proposal or annexation of a development related prospect for a city that includes development of 500 or more dwelling units or 5,000 square feet of commercial industrial.

Ms. McDonald states that staff has been working with LAFCO's environmental consultant, and LAFCO legal counsel, related to the environmental review guidelines and procedures. Those procedures have been updated and are provided in the staff report.

She states several other minor changes are recommended, including to the human resources policies. Staff recommends the addition of the Clerk to the Commission/Office Manager and LAFCO Secretary positions to the staff. Amendment of the application processing policies includes a requirement for the resolution of initiation identifying that the adopting entity is aware of the requirements of the Commission regarding litigation related indemnification. In addition, forms have been updated and the title of the justification for proposal has been changed to clarify its purpose. Language has been added regarding the extension of existing taxes, fees and assessments through a change of organization process. Supplemental forms have been updated to reflect that a five-year fiscal analysis is required. Finally, the forms for service reviews have been condensed into one form.

Ms. McDonald states that LAFCO's environmental consultant has reviewed all the changes and has determined that a statutory exemption is appropriate for the Commission's action.

Ms. McDonald summarizes the recommendations.

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Chairman Curatalo calls for questions from the Commission. Chairman Curatalo asks if Item 4 calls for the Commission to make the policy declaration of 60, 66 or a higher percentage. Ms. McDonald states that the staff recommendation is 60; however if the Commission wishes, it can change that percentage. Commissioner Bagley asks if the recommendation is 60 percent, but that a different percentage could be considered on an individual basis. Ms. McDonald states that, in every case, the Commission is provided a percentage that the linear boundary represents. If the percentage is less than 60 percent, the application would be rejected. Commissioner Bagley states that there should be some discretion in some cases. Ms. McDonald explains that in the El Cajon example, the boundary was 68 percent surrounded.

Commissioner Rutherford states that the mission statement states that the Commission would promote the Countywide Vision Statement; however, she does not believe this body has officially adopted it. She asks that on the Commission's next agenda, the Commission consider adoption of the Countywide Vision Statement. Ms. McDonald states that it is included on the first page of the policy manual as an introduction to the mission statement. Commissioner Coleman states that if the Commission adopts the policy manual, it would, in essence, be adopting the Countywide Vision Statement.

Commissioner Bagley asks if, regarding DUCs, the modifications to the manual as it would be published were what were included on the CD. Ms. McDonald confirms that is correct. He says the legend on the maps is not clear. Ms. McDonald states that it will be corrected.

Chairman Curatalo asks Commissioner Bagley if he is in agreement with 60 percent, and says his inclination would be to go a little beyond 60 percent and suggests 66 percent. Commissioner McCallon states that at 60 percent there is some flexibility. Commissioner Mitzelfelt states that this is a requirement for cities applying for an island annexation. He asks when that most commonly happens. Ms. McDonald explains that the only way that Government Code 56375.3 can, in fact, be implemented, is if a city, by resolution, initiates an island annexation that meets that criteria. Cities have been required in the past with development related proposals to initiate other island annexations. It is normally a choice by the city. She says that the Commission took an aggressive stance in 2005 when it determined it wanted to move forward with as many island annexations as possible and chose 52 percent as the criteria for linear length. Commissioner Mitzelfelt says the policy is being changed because of SB89. Ms. McDonald states that some cities may choose to move forward based upon service delivery. There is nothing to stop a city from doing it. The Commission's policies and change in philosophy has said that cities are no longer required to annex islands when a development related application is submitted. She says that in 2014 the removal of a lack of protest changes to a simple up or down protest process for registered voters.

Commissioner Cox states that it may be to the benefit of a municipal applicant to have a lower percentage.

Chairman Curatalo opens the public hearing and calls for questions from the public.

Henry Empeño, Senior Deputy City Attorney, City of San Bernardino, states he has

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distributed to the Commission a letter dated January 4, 2011, addressed to Ms. McDonald, signed by the City Attorney. He refers to the second page and highlights the legal opinion of the City Attorney's office regarding whether or not an island greater than 150 acres can be broken up into smaller parts. He thanks the Commission for delaying any action on these matters until after the Attorney General's opinion has been issued. He states that the City believes that the opinion vindicates the legal opinion expressed by the San Bernardino City Attorney's office for the past six years, when the City applied to LAFCO for annexation of six county island areas which LAFCO forced the City to initiate as a condition of LAFCO's approval of the City's annexation of Arrowhead Springs through the Hulse vs. LAFCO San Bernardino Superior Court case, and which resulted in the reversal of the six island annexations and payment by LAFCO and the City of \$100,000 to the plaintiff as reimbursement for attorney's fees and costs of litigation. The San Bernardino City Attorney's office has continually taken the position that LAFCO's past and present island annexation policies violate Government Code Section 56375.3, citing the same statutes and cases cited by the Attorney General. He thanks the Commission for consideration of the City's input.

Sue Hulse, resident of San Bernardino County, states she is the "Hulse" in *Hulse vs. LAFCO*. She questions the percentage to determine substantially surrounded. She believes that last year staff sent out letters to cities asking their opinions. She asks if answers have been submitted by all the cities as to what those cities believe should define substantially surrounded. She says that behind every decision LAFCO makes there is one of her, and the people need to be considered. She says the Commission forgot to ask why the citizens in the audience did not want to be annexed to the City. She says there were two reasons: one, the City could not afford those areas; and two, the citizens did not want to be part of a City that did not want them. She says the City did not provide outreach to the citizens. She says that, had she realized that LAFCO's legal counsel would tell the Commission that the Attorney General's office is just another law firm, she would not have settled the lawsuit and would have forced it to go before a judge. She believed that by going with the stipulated judgment, it would benefit the County, the City and the residents. At that point, she went to Senator Negrete-McLeod and worked with her staff to get the Attorney General opinion. She states she understands that LAFCO legal counsel does not agree with the Attorney General opinion and may advise the Commission not to take it into consideration. She asks that the Commission get the opinion of the City's attorney in question when considering an island annexation.

Chairman Curatalo calls for further questions from the Commission. There are none. Chairman Curatalo closes the public hearing.

Commissioner McCallon moves approval of the staff recommendation, second by Commissioner Coleman. Commissioner Rutherford asks if that includes explicit adoption of the County Vision Statement. Commissioner McCallon states that it does. Chairman Curatalo calls for opposition to the motion. There being no opposition, the motion passes with the following vote: Ayes: Bagley, Coleman, Cox, Curatalo, McCallon, Mitzelfelt, Rutherford. Noes: None. Abstain: None. Absent: None.

INFORMATION ITEMS

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PENDING LEGISLATION

Ms. McDonald reports that staff has provided the Commission with the CALAFCO Daily Legislative Bulletin which states that AB2238 (Perea), regarding DUCs, has been amended to exclude all reference to changes for LAFCO. CALAFCO's opposition was very effective in this case.

She states that several other bills have died, including SB1566, which would have addressed DUCs, but also included changes for the out of agency service contract provisions of the law that San Bernardino LAFCO has advocated for six years. CALAFCO will try to resurrect it in the next legislative session.

Ms. McDonald states that Chairman Curatalo attended the CCL meeting in May, where those positions were reviewed. She asks for direction to send a letter to Assemblymember Perea thanking him for removing those provisions in AB 2238 that were onerous to LAFCOs and costly to constituents. LAFCO staff is so directed by the Commission.

EXECUTIVE OFFICER'S ORAL REPORT

Ms. McDonald states that nomination forms for the CALAFCO Board of Directors have been handed out to the Commission. She says the southern region has public member openings. CCL will meet on July 30 to review and make recommendations regarding those positions. She asks that if a City or public member of the Commission is interested in serving on CALAFCO, please let LAFCO staff know. She notes that Chairman Curatalo will become chairman of CCL at that meeting.

She states that the July hearing has been canceled. She notes that the staff office will be closed July 4, 5 and 6.

Commissioner Cox asks if staff is considering submitting any nominations for the CALAFCO Achievement Awards. Ms. McDonald states that staff has not yet put together a listing and asks that if the Commission believes a project is significant for nomination to please let staff know. Commissioner Cox suggests nominating Commissioner Mitzelfelt for an award. She says that under his tenure on the Commission, the Commission has taken on some herculean projects and she believes it would be most appropriate to nominate him. Commissioner Mitzelfelt thanks the Commission.

Ms. McDonald states that Ms. Raef's contract expires with this meeting and thanks her for taking on the responsibility and helping staff through this difficult period.

COMMISSIONER COMMENTS

Chairman Curatalo welcomes Commissioner Sethi to the Commission and states it is good to have him as a working member of the Commission. Commissioner Sethi thanks the Commission for giving him the opportunity to serve.

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COMMENTS FROM THE PUBLIC

There are none.

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE COMMISSION,
THE HEARING IS ADJOURNED AT 10:23 A.M.**

ATTEST:

ANNA RAEF, Recording Secretary

LOCAL AGENCY FORMATION COMMISSION

JAMES CURATALO, Chairman