RIVERSIDE LAFCO

2.a.
1/22/2026

MINUTES
December 4, 2025

Present Commissioners:	Michael M. Vargas, Chair Steve Sanchez Agustin Arreola Bruce Underwood Stephen Corona
Absent Commissioners:	Yxstian Gutierrez, Vice-Chair V. Manuel Perez
Present Staff:	Gary Thompson, Executive Officer Crystal Craig, Assistant Executive Officer Michael Henderson, LAFCO GIS/Analyst Elizabeth Valdez, Commission Clerk Rebecca Holtzclaw, Administrative Assistant Melissa Cushman, Legal Counsel

1.1. CALL TO ORDER AND SALUTE TO THE FLAG.

Chair Vargas called the meeting to order at approximately 9:00 a.m.

1.2. ROLL CALL.

1.3. ANNOUNCEMENT CONCERNING CONTRIBUTIONS TO COMMISSION MEMBERS.

Counsel Cushman made a statement to the public regarding the disclosure of contributions made to Commissioners.

2. APPROVAL OF THE MINUTES:

a. October 16, 2025

Moved (Arreola) seconded (Sanchez) to approve the Minutes of the October 16, 2025, meeting as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Sanchez, Arreola, Underwood, and Vargas.
NOES: None.
ABSENT: None.
ABSTAINED: None.

3. PUBLIC COMMENTS ON ANY ITEMS NOT ON THE AGENDA.

There were no public comments.

4. CONSENT CALENDAR (NON-HEARING ITEMS):

a. LAFCO Monthly Expenditure Review.

Moved (Corona) seconded (Underwood) to approve the Consent Calendar as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Sanchez, Arreola, Underwood, and Vargas.
NOES: None.
ABSENT: None.
ABSTAINED: None.

5. PUBLIC HEARINGS:

Continued: There were no continued public hearing items.

New:

a. LAFCO 2025-07-5-Annexation to Beaumont-Cherry Valley Water District (Oak Valley Village, LLC) and a finding of exemption pursuant to the California Environmental Quality Act and approval of a resolution making determinations on the proposal.

Mr. Henderson presented this item. He stated that at the October meeting the Commission granted an extra-territorial request for expedited water for the same territory. He stated this annexation was to provide water for five parcels consisting of 37.6 acres which is part of a proposed commercial development. He stated that the area was within the district's SOI.

Chair Vargas opened the public hearing at 9:05 a.m. and there being no one wishing to speak he closed the public hearing.

Moved (Corona) seconded (Sanchez) to approve LAFCO 2025-07-5-Annexation to Beaumont-Cherry Valley Water District (Oak Valley Village, LLC) as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Sanchez, Arreola, Underwood, and Vargas.
NOES: None.
ABSENT: None.
ABSTAINED: None.

b. LAFCO 2025-08-5-Annexation to Beaumont-Cherry Valley Water District (McClure Machine Shop) and pursuant to the California Environmental Quality Act the Commission as responsible agency will review and consider the Mitigated Negative Declaration prepared by the City of Beaumont as lead agency and approval of a resolution making determinations on the proposal.

Mr. Henderson presented this proposal. He stated that the proposal consisted of a one-acre parcel and is located in the district's SOI. He stated the annexation is part of a proposed manufacturing/office space

development.

Chair Vargas opened the public hearing at 9:07 a.m. and there being no one wishing to speak he closed the public hearing.

Moved (Arreola) seconded (Corona) to approve LAFCO 2025-08-5-Annexation to Beaumont-Cherry Valley Water District (McClure Machine Shop) as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Sanchez, Arreola, Underwood, and Vargas.
NOES: None.
ABSENT: None.
ABSTAINED: None.

c. LAFCO 2025-12-4-Sphere of Influence Amendment for the Palo Verde Healthcare District and a finding of exemption pursuant to the California Environmental Quality Act and approval of a resolution making determinations on the proposal.

Mr. Thompson presented this item. He stated that at the last meeting the Commission directed staff to proceed with the process that would start the dissolution of the district. He stated staff was directed to come back with a resolution to create a zero SOI as well as a letter of intent to dissolve the district. He stated that amending the SOI doesn't change the district's operations and it can be changed after the bankruptcy proceedings. He also stated that dissolution cannot happen until after the bankruptcy proceedings are completed. Mr. Thompson stated staff will proceed with the letter of intent at a later date.

Chair Vargas opened the public hearing at 9:10 a.m.

Michael Rose, Palo Verde Healthcare District CFO. Mr. Rose gave an update on the current financial position of the district. He stated they are starting to recover outstanding funds, but the bankruptcy needs to continue, and the district meets the eligibility for bankruptcy relief. Mr. Rose gave an update on the goal to keep the hospital open and continue to provide services in the future.

Amy Cuen-McDuffie, Aid to Supervisor V. Manuel Perez. Ms. Cuen-McDuffie stated that Supervisor Perez could not be here today, but he has been engaged with the District, the RUHS, and the County Executive Office to see how he can assist but mostly to ensure residents continue to have access to care. She stated that if he were attending today's meeting he would vote in favor of this item.

Chair Vargas closed the public hearing at 9:14 a.m.

Moved (Sanchez) seconded (Arreola) to approve LAFCO 2025-12-4-Sphere of Influence Amendment for the Palo Verde Healthcare District and amend the sphere of influence (SOI) to a zero SOI as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Sanchez, Arreola, Underwood, and Vargas.

NOES: None.
ABSENT: None.
ABSTAINED: None.

6. OTHER BUSINESS:

a. Adoption of the Fee Schedule Policy A-16.

Ms. Craig presented the Policy. She stated that the Fee Schedule was approved by the Commission in February. She stated the Commission recommended a policy be established to review the fees and staff time annually during the preparation of the Budget.

Moved (Sanchez) seconded (Underwood) to adopt the Fee Schedule Policy A-16 as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Sanchez, Arreola, Underwood, and Vargas.
NOES: None.
ABSENT: None.
ABSTAINED: None.

b. Office Space Opportunity.

Ms. Craig gave a PowerPoint presentation. She stated that LAFCO has the opportunity to move into the suite next door to the current office. She stated the new space would be almost twice the size allowing for recruitment of new staff. She stated that informal discussions have begun on tenant improvements and LAFCO would sign a 10-year lease.

Moved (Sanchez) seconded (Arreola) to authorize staff to move forward with securing a lease for new office space and appointment of the Executive Officer, Assistant Executive Officer, and LAFCO Counsel as the lease negotiators.

Chair Vargas called for the vote.

AYES: Corona, Sanchez, Arreola, Underwood, and Vargas.
NOES: None.
ABSENT: None.
ABSTAINED: None.

Commissioner Sanchez left the meeting at 9:22 a.m.

7. INFORMATION ITEMS: No action to be taken by the Commission.

a. Proposals Received and/or LAFCO Initiated (Government Code Sections 56751 and 56857):

i. LAFCO 2025-12-4-Sphere of Influence Amendment for the Palo Verde Healthcare District

Ms. Craig stated this proposal was presented by Mr. Thompson on today's agenda.

b. Report on Conducting Authority Proceedings.

Ms. Craig gave an update on the conducting authority proceedings.

8. LEGISLATIVE UPDATE AND POTENTIAL POSITIONS. (No Report)

9. EXECUTIVE OFFICER REPORTS.

Mr. Thompson thanked the Commission for moving forward with the proposal for new office space. He stated he will be in Florida on vacation through Christmas. He stated the office may be closed during the week of Christmas and New Year's.

10. COMMISSIONER COMMENTS/FUTURE ITEMS.

Commissioner Underwood thanked staff for having the meeting in La Quinta. He wished everyone Happy Holidays and Happy Hanukkah.

11. ADJOURNMENT.

The Commission adjourned the meeting at approximately 9:26 a.m.

Respectfully submitted,

Elizabeth R. Valdez
Commission Clerk