



2.  
1/28/2021

**MINUTES**  
**December 3, 2020**

Present Commissioners

Via Teleconference: Steve Sanchez, Chair  
Stephen Tomanelli, Vice Chair  
Kevin Jeffries  
Michael Vargas  
Phil Williams  
Nancy Wright

Absent: Jeff Hewitt

Also in Attendance

Via Teleconference: Steve Pastor, Alternate

Present Staff:

Gary Thompson, Executive Officer  
Crystal Craig, Assistant Executive Officer  
Joshua Altopp, Local Government Analyst III  
Elizabeth Valdez, Commission Clerk  
Rebecca Holtzclaw, LAFCO Secretary

Via Teleconference: Tiffany North, Legal Counsel

**1. CALL TO ORDER AND SALUTE TO THE FLAG.**

Chair Sanchez called the meeting to order at approximately 9:30 a.m.

**1.2. ROLL CALL.**

**1.3. ANNOUNCEMENT CONCERNING CONTRIBUTIONS TO COMMISSION MEMBERS.**

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

**2. APPROVAL OF THE MINUTES OF THE OCTOBER 22, 2020 MEETING.**

Moved (Wright) seconded (Tomanelli) to approve the Minutes of the October 22, 2020 meeting.

Chair Sanchez called for the vote.

AYES: Sanchez, Tomanelli, Wright, Vargas, and Jeffries.

NOES: None.

ABSENT: Hewitt and Williams.

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 (Wright) seconded (Vargas) to approve the consent calendar as recommended by staff.

Chair Sanchez called for the vote.

AYES: Sanchez, Tomanelli, Wright, Vargas, and Jeffries.

NOES: None.

ABSENT: Hewitt and Williams.

ABSTAINED: None.

**5. PUBLIC HEARINGS:****Continued:**

There were no continued public hearing items.

**New:**

- a. LAFCO 2020-22-3-Sphere of Influence Amendment to County Service Area 84 (addition) (TRs 29322 and 37533); and
- b. LAFCO 2020-23-3-Reorganization to Include Detachment from County Service Area 146 and Concurrent Annexations Nos. 103 and 104 to County Service Area 84 (TRs 29322 and 37533) and Valley-Wide Recreation and Park District (APNs: 457-330-020 and 457-330-025) and pursuant to the California Environmental Quality Act the Commission as responsible agency will review and consider an Addendum to Environmental Impact Report No. 329 prepared by the County of Riverside, as lead agency, and adoption of resolutions making determinations on the proposals.

Mr. Altopp presented this item. He stated that the proposals consisted of 117 acres to provide street lighting, park and recreation services, and landscape maintenance by the CSA and the District. He stated there was 100 percent support from the landowner.

Chair Sanchez opened the public hearing there being no one wishing to speak he closed the public hearing.

Moved (Vargas) seconded (Tomanelli) to approve LAFCO 2020-22-3-Sphere of Influence Amendment to County Service Area 84 (addition) (TRs 29322 and 37533) and LAFCO 2020-23-3-LAFCO 2020-23-3-Reorganization to Include Detachment from County Service Area 146 and Concurrent Annexations Nos. 103 and 104 to County Service Area 84 (TRs 29322 and 37533) and Valley-Wide Recreation and Park District (APNs: 457-330-020 and 457-330-025) as recommended by staff.

Chair Sanchez called for the vote.

AYES: Sanchez, Tomanelli, Wright, Vargas, and Jeffries.

NOES: None.

ABSENT: Hewitt and Williams.

ABSTAINED: None.

Commissioner Williams arrived at 9:38 a.m.

**6. OTHER BUSINESS:**

a. LAFCO Pension/OPEB Unfunded Liability Reserve Plan.

Mr. Thompson presented this item. He stated that the Commission previously decided to address the pension and OPEB unfunded liability that has been accrued. He provided a policy to be formally adopted at the next meeting. He stated that an initial contribution of \$125,000 will be contributed this fiscal year. He reviewed the projections for the next five years and the calculations to annually contribute to the Reserve to build the fund to 75%.

Moved (Vargas) seconded (Williams) to approve the LAFCO Pension/OPEB Unfunded Liability Reserve Plan as recommended by staff and to formally adopt the policy at the January 28, 2021 meeting.

Chair Sanchez called for the vote.

AYES: Sanchez, Tomanelli, Wright, Vargas, Jeffries, and Williams.

NOES: None.

ABSENT: Hewitt.

ABSTAINED: None.

b. LAFCO Policy Manual and Policy Review.

Mr. Thompson presented this item. He stated that as part of the Strategic Plan he will be consolidating all current and new policies into one manual. He reviewed the procedures that he will take to create the manual. He also reviewed the policies that were before the Commission today. He stated that the Compensated Absences Reserve Policy may need to be changed to be funded at approximately 50-75% rather than 100%.

Commissioner Wright stated that the Unfunded Liability Reserve and the Compensated Absences Reserve should be funded the same at 75% as they would be drawn down at the same time. Mr. Thompson stated that any payout from the Compensated Absences Reserve would be a one-time payment.

Moved (Vargas) seconded (Wright) to approve the creation of the LAFCO Policy Manual to approve in its entirety when complete, to approve Policies A-2 Investment Policy, A-5 Credit Card Policy, A-9 General Reserve Policy, A-13 Conflict of Interest Code and to revise Policy A-11 Compensated Absences Reserve Policy to change

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the amount the reserve should be funded to 75%.

Chair Sanchez called for the vote.

AYES: Sanchez, Tomanelli, Wright, Vargas, Jeffries, and Williams.

NOES: None.

ABSENT: Hewitt.

ABSTAINED: None.

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

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

- i. LAFCO 2020-26-4-Sphere of Influence Review and Confirmation for Desert Healthcare District (Coterminous)
- ii. LAFCO 2020-27-4-Sphere of Influence Review and Amendment to Palo Verde Healthcare District (Addition)
- iii. LAFCO 2020-28-3&5-Sphere of Influence Review and Amendment to San Gorgonio Memorial Healthcare District (Addition)

Mr. Altopp stated that staff will bring back the Healthcare District SOI's to formally confirm or approve changes as recommended in the Municipal Service Review.

b. Report on Conducting Authority Proceedings.

Mr. Thompson reviewed the Conducting Authority Proceedings report.

**8. LEGISLATIVE UPDATE AND POTENTIAL POSITIONS. (Oral Report)**

Mr. Thompson stated that the CALAFCO Legislative Committee is currently working on the Omnibus Bill, specifically the Protest Provisions. He stated they are hoping to have the provisions put into one chapter in CKH. He spoke about future legislation for 56133 and previous SB 414.

**9. EXECUTIVE OFFICER REPORTS.**

Mr. Thompson stated he would be on vacation until December 10<sup>th</sup>.

Mr. Thompson stated that the Murrieta Focused MSR was now final and staff is reviewing it. He stated it would be available to the Commission and the public on December 10<sup>th</sup> for comment.

Mr. Thompson stated that the Internal Audit was now complete and will be before the Commission next month. He stated that LAFCO now has a positive net position.

Mr. Thompson introduced and welcomed Steve Pastor the new Alternate Special District Member. Mr. Pastor stated he had met with Gary and was

looking forward to working with the LAFCO Commission.

**10. COMMISSIONER COMMENTS/FUTURE ITEMS.**

Commissioner Wright stated to Mr. Thompson to have fun, stay safe and to remember to come back from his vacation.

**11. CLOSED SESSION:**

CONFERENCE WITH LEGAL COUNSEL:

With Respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.9: Conference with Legal Counsel-Existing Litigation (Subdivision (d)(1) of Government Code Section 54946.9).

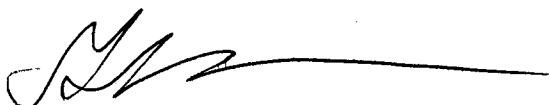
A.1. City of Menifee vs. All Persons Interested in the Matter of the Conditional Approval of the City of Menifee's Application for Detachment (2016-03-05) from Valley-Wide Recreation and Parks District; Adoption of LAFCO Resolution No. 04-17, and Denial of the City of Menifee's Application for Reconsideration of a Resolution of the Local Agency Formation Commission of Riverside County (Resolution No. 04-16) and Riverside Local Agency Formation Commission, Riverside Superior Court Case No. RIC 1722064.

Counsel North stated that there will be no closed session. She stated the Court continued the case to December 16, 2020.

**12. ADJOURNMENT.**

Chair Sanchez adjourned the meeting at 10:11 a.m.

Respectfully submitted,



Gary Thompson  
Executive Officer