



2.a.
7/24/2025

MINUTES
June 26, 2025

Present Commissioners: Michael Vargas, Chair
Yxstian Gutierrez, Vice-Chair
Steve Sanchez
Agustin Arreola
Bruce Underwood
V. Manuel Perez
Harvey Ryan, Alternate

Absent Commissioners: Stephen Corona

Present Staff: Gary Thompson, Executive Officer
Crystal Craig, Assistant Executive Officer
Elizabeth Valdez, Commission Clerk
Melissa Cushman, Legal Counsel

1. CALL TO ORDER AND SALUTE TO THE FLAG.

Chair Vargas called the meeting to order at approximately 9:03 a.m.

1.2. ROLL CALL.

1.3. POTENTIAL REQUEST BY ONE OR MORE COMMISSIONERS TO PARTICIPATE REMOTELY AND UTILIZE AB 2449'S JUST CAUSE OR EMERGENCY CIRCUMSTANCES, POTENTIAL VOTE ON LATTER.

No requests were made.

1.4. PRESENTATION TO DEPARTED COMMISSIONER STEPHEN TOMANELLI.

Chair Vargas read a Proclamation of Appreciation for Stephen Tomanelli's 20 years of service on the Commission. Mr. Tomanelli was not in attendance.

1.5. 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. May 25, 2025

Moved (Perez) seconded (Sanchez) to approve the Minutes of the May 25, 2025, meeting as recommended by staff.

Chair Vargas called for the vote.

AYES: Ryan, Sanchez, Perez, Gutierrez, 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 (Gutierrez) seconded (Sanchez) to approve the Consent Calendar as recommended by staff.

Chair Vargas called for the vote.

AYES: Ryan, Sanchez, Perez, Gutierrez, Arreola, Underwood, and Vargas.

NOES: None.

ABSENT: None.

ABSTAINED: None.

5. PUBLIC HEARINGS:

Continued: There were no continued public hearing items.

New: There were no new public hearing items.

6. OTHER BUSINESS:

a. Fiscal Year 2025/26 Commission Meeting Schedule.

Ms. Valdez stated that approving the meeting schedule was a formality. She asked the Commission if there were any changes requested and there were none.

Moved (Sanchez) seconded (Perez) to approve the Commission Meeting Schedule as submitted by staff.

Chair Vargas called for the vote.

AYES: Ryan, Sanchez, Perez, Gutierrez, Arreola, Underwood, and Vargas.

NOES: None.

ABSENT: None.

ABSTAINED: None.

- b. Commission Appointment to Vacant Administrative Review Committee Position.

Mr. Thompson presented this item. He stated that there was now a vacancy on the Committee due to Mr. Tomanelli no longer being on the Commission.

Commissioner Underwood stated he would like to be nominated.

Moved (Sanchez) seconded (Arreola) to nominate and appoint Commissioner Underwood to the Administrative Review Committee.

Chair Vargas called for the vote.

AYES: Ryan, Sanchez, Perez, Gutierrez, Arreola, Underwood, and Vargas.

NOES: None.

ABSENT: None.

ABSTAINED: None.

- c. Report on Attendance at the CALAFCO Staff Workshop.

Mr. Thompson stated that it was a request of Commissioner Underwood to report on the sessions attended and the financial aspect of attending the CALAFCO Staff Workshop. He also stated that all five staff attended and at least one staff member attended each session at the workshop. He stated that Riverside LAFCO was the host LAFCO this year. He stated that a breakdown of the cost was provided in the report and that it came in approximately \$100 under budget.

This was a receive and file item, no action was taken.

- d. Discussion and Clarification Regarding Reimbursement Eligibility for CALAFCO and Associated Event Attendance and Potential Action on Same.

Mr. Thompson stated that this was brought to the Commission at the request of Commissioner Underwood and turned the discussion over to him.

Commissioner Underwood stated that he attended the Staff Mobile Workshop and due to the early start time, he got a hotel room the night before. He was asking for reimbursement. He stated the policy wasn't clear and he thought he had approval as this was a CALAFCO event.

Commissioner Perez stated that traveling for the County he receives reimbursement for airfare, hotel, in addition to a per diem. He stated it should be capped, and receipts need to be provided. He stated he

believes that public funds for training to gain knowledge benefits the public. He stated that pre-approval should be received prior to attending and conference.

Commissioner Sanchez agreed and stated that commissioners should seek prior authorization for such expenses. He stated that reimbursement should not be for any conference but only those that are pre-approved. He stated that if Commissioner Underwood received pre-approval then he should be reimbursed.

Chair Vargas asked if this was for the Staff Workshop.

Mr. Thompson stated it was for the Mobile Workshop that is held prior to the Staff Workshop. He stated that only staff can go to the Staff Workshop per CALAFCO policy, but anyone could go to the Mobile Workshop. He stated it was a tour of a winery and included lunch with a guest speaker. He stated that Riverside LAFCO was the host LAFCO this year.

Chair Vargas stated that Commissioner Underwood should have gotten prior approval.

Mr. Thompson stated he would budget next year for commissioners to attend the mobile workshop if he is directed to. He stated that the recent approval of the budget did not include any commissioners to attend.

Commission Ryan asked about the process of LAFCO for attending conferences and workshops and asked if there is a new commissioner boot camp or training available.

Chair Vargas replied that there is usually a CALAFCO 101 session at the Annual Conference. He stated that his concern was that the Mobile Workshop was not the duty of a commissioner to attend.

Commissioner Gutierrez stated the Annual CALAFCO Conference provides new commissioner training. He stated that the Commission had voted on which conferences to go to at a previous meeting and to be sure they are clarified moving forward.

Mr. Thompson stated that CALAFCO U courses are coming up for everyone to attend. He stated that CALAFCO does not allow commissioners to attend the Staff Workshop. He stated he will generate a list to clarify during the budget process.

Commissioner Sanchez stated that there are other conferences, such as CSDA, that could be beneficial to the Commission to attend.

Commissioner Arreola asked if there is a calendar of events to let commissioners know which ones they are able to be reimbursed for. Mr. Thompson stated he will be sure to have a list of potential conferences and training during the preparation of the budget.

Commissioner Underwood stated that he thought it was about education and wanted to go to the workshop. He stated that since LAFCO paid for his admission to the event, he would be reimbursed for his expenses. He stated that it was a broad policy of what CALAFCO related events are. He stated he went to interact with other LAFCO's and didn't care about the money but wanted to meet people. He stated that there should be a better, detailed policy and operation procedures of how the commission works.

Commissioner Perez asked if any other commissioners were in attendance and Commissioner Underwood replied, no, although he was able to meet other LAFCO Executive Officers.

Commissioner Perez stated that he supports the reimbursement but moving forward the policy needs to be discussed and potentially updated.

Moved (Perez) seconded (Sanchez) to approve the hotel reimbursement request by Commissioner Underwood for attending the Mobile Workshop.

Chair Vargas called for the vote.

AYES: Ryan, Sanchez, Perez, Gutierrez, Arreola, and Vargas.

NOES: None.

ABSENT: None.

ABSTAINED: Underwood.

The Commission decided to take Item 6.f. at this time.

f. City of Blythe Request for a Municipal Service Review of Palo Verde Healthcare District.

Mr. Thompson stated that LAFCO received a letter from the City of Blythe requesting that a MSR be done now. He stated the request was triggered by a newspaper article written on the district hospital showcasing many issues including no other services except emergency services were being provided. He stated that residents would need to travel up to 90 miles for services if the hospital closes.

Mr. Thompson stated that he would move up the schedule for the Palo Verde HCD MSR review and get it started with a goal for it to be completed by the end of the summer. He stated that it is the only hospital in the city, and it may be gone soon.

Johnny Rodriguez, Vice-Mayor, City of Blythe. Mr. Rodriguez stated that he was part of an Ad Hoc Committee from the City to review the District and was there to answer any questions.

Commissioner Perez stated that the City is making this request in an effort to do something soon as this information just came out. He stated it is necessary and the City needs to have recommendations on how to move forward. He stated he has had discussions with the City and other entities, including at the State level. He stated he supports this MSR effort.

Commissioner Sanchez stated he supports moving forward and needs to know what led to all of this. He stated more should be included and reviewed in the MSR. He stated the MSR needs to address everything and have recommendations and alternatives. He stated that what happens next upon completion of the MSR should also be included.

Mr. Thompspon stated that he would start gathering data and meet with Commissioner Perez, the City, and the District. He stated that he would get the questionnaire to the District as well as the city. He stated that he this MSR would need to include not only determinations but all the options including what LAFCO can do as well as other entities.

Commissioner Sanchez stated that many entities want to help the residents of Blythe.

Commissioner Underwood stated that Desert Healthcare District will be looking at this too and it will take everyone together to solve this issue.

Commissioner Perez stated that meetings are ongoing with all entities. He stated that he put a list together of points and asked the City and Ad Hoc Committee to add to the list of what to consider. He stated then options could be provided. He stated that as of last night the Hospital declared a fiscal emergency to declare bankruptcy and has money for 17 days to keep it going.

Commissioner Sanchez stated that it would be helpful if the District livestreamed their meetings for transparency.

Moved (Perez) seconded (Sanchez) to approve the request for a Municipal Service Review of the Palo Verde Healthcare District as recommended by staff.

Chair Vargas called for the vote.

AYES: Ryan, Sanchez, Perez, Gutierrez, Arreola, Underwood, and Vargas.

NOES: None.

ABSENT: None.

ABSTAINED: None.

The Commission took Item 6.e. at this time.

- e. Commissioner Requested Discussion of District Consolidations and/or Boundary Adjustments and Provide Direction to Staff.

Mr. Thompson stated that this was being presented at the request of Commissioner Sanchez. He stated this was to get direction for potential consolidations and boundary changes for special districts. He stated comment letters from a few districts were provided in the Commissioner folders.

Chair Vargas called on those wishing to speak.

Jeremy Wittie, Board of Directors, Special District Association of Riverside County. Mr. Wittie stated that after stakeholder feedback, he put together many points to be considered such as cost to do the study, and ensuring objectivity across all forms of local government. He asked if this is only being considered for special districts or would cities be included.

Commissioner Sanchez stated that this came about during the Cemetery District MSR and he asked why there are three cemetery districts in the Coachella Valley, as well as three boards and executive directors. He stated that a government agency serves the taxpayers and public in the most efficient way possible. He stated there was a large pushback and districts are opposing. He stated that part of the MSR process addresses what can be done to improve the agency.

Commissioner Perez stated that if there were an issue, audits would come into play and we would hear about it. He stated that even though LAFCO is the regulating body, local control is critical. He stated that each cemetery district provides different needs for the community they serve.

Commissioner Perez asked the chair to call on Marcos Coronel, Jr. a Trustee of Coachella Valley Cemetery District, to speak.

Mr. Coronel stated that the district took a position to keep the boundaries as they are. He stated that they are not in the position to absorb any other district. He stated that they are already the largest district, and it would be a fiscal burden. He stated that as a result of the last MSR there are now talks with the other cemetery districts to see if there are any potential future boundary changes to be made.

Commissioner Perez stated that the MSR process was to point out concerns. He asked that after six months and after district conversations to come back and provide what items if any to work on in the future.

Commissioner Sanchez stated that a third party should be the one conducting the questions towards the districts. He stated that someone that has no bias towards the district make determinations and recommendations. He stated that back to his initial question, there is no need for three cemetery districts if one director and board can do the job. He stated the MSR's don't ask about duplication of services and redundancy and asked if mergers are discussed.

Chair Vargas asked if the MSR could include a more in-depth survey.

Commissioner Gutierrez stated that when MSRs are done they are non-bias and there is a section about how efficient the organization is.

Ms. Craig stated that there is a determination in the MSR for operation efficiencies. She stated that the potential for consolidation is

analyzed during the process. She stated the districts are asked if they want to expand or change their boundaries and staff also identifies technical boundary clean-ups when needed.

Commissioner Gutierrez supports the request for local control. He stated that the Commission should continue with the current MSR process.

Commissioner Arreola asked if MSR's can be done earlier than scheduled. Ms. Craig stated that they are done every five years or as needed.

Commissioner Ryan asked if it's best to meet with the Riverside Special District Association to have his conversation and to see if there is a need to move forward and if there may be an advantage in doing consolidations. He asked how on schedule LAFCO is on completing the MSRs.

Mr. Thompson stated that the schedule is in the Strategic Plan and Annual Action Plan and that the schedule can be adjusted as needed.

Chair Vargas stated that there should not be a 6-month timeline/survey for the districts to report back. He stated that a more in-depth MSR is needed to be sure all things discussed today are included in the questionnaire and in the Final MSR. He stated that LAFCO can only assume the district is performing well unless otherwise informed.

Chair Vargas gave directions to staff to have the Commission review the questionnaire to be sure everything is included to ensure an in-depth MSR is done. Commissioner Perez added for members of staff and any commissioners to meet with the State and Local Special District Association to identify any "reforms" to implement into the process.

Commissioner Perez left the meeting at 10:37 a.m.

Commissioner Underwood stated that the special districts are engaged, helpful, and looking for due process.

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

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

There were no new proposals.

- b. Report on Conducting Authority Proceedings.

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

8. LEGISLATIVE UPDATE AND POTENTIAL POSITIONS.

Ms. Craig stated that CALAFCO is monitoring SB 489 that is sponsored by CA BIA. She stated that CALAFCO continues its position of opposition on SB 777, requiring LAFCOs to decide who the successor agency would be for

a failed private cemetery. She stated that SB 858, Omnibus bill, corrects references to Government Code Sections.

9. EXECUTIVE OFFICER REPORTS.

Mr. Thompson stated that it was requested last month to provide how many private cemetery districts were in Riverside County. He stated that the agency responsible doesn't have a list on its website. He stated after some research he came up with 47 private cemeteries in the County. He stated 29 of them are private/corporate cemeteries, 4 are run by a tribe, and 14 are religious.

Mr. Thompson stated the audit consultant contract will be up after this fiscal year and he will be doing a joint RFP with six other LAFCO's. He stated that this allows for up to 40 percent cost savings.

Chair Vargas asked that the private cemetery update be emailed to the entire Commission.

10. COMMISSIONER COMMENTS/FUTURE ITEMS.

There were no commissioner comments.

The Commission adjourned to Closed Session at 10:47 a.m.

11. CLOSED SESSION:

With respect to every item of business to be discussed in closed session pursuant to Government Code section 54954.5:

a. Public Employee Performance Evaluation: LAFCO Executive Officer.

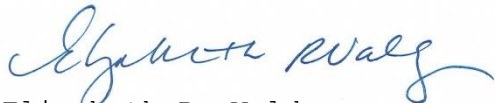
The Commission reconvened at 10:54 a.m.

Chair Vargas stated there was no reportable action.

12. ADJOURNMENT.

The Commission adjourned the meeting at approximately 10:54 a.m.

Respectfully submitted,



Elizabeth R. Valdez
Commission Clerk