



2.
3/24/2022

MINUTES
February 24, 2022

Present Michael Vargas, Chair
Commissioners: Nancy Wright
Phil Williams
Jeff Hewitt
Steve Sanchez
Kevin Jeffries
James Love (Alternate)

Absent
Commissioners: Stephen Tomanelli, Vice-Chair

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 9:30 a.m.

1.2. ROLL CALL.

1.3. ANNOUNCEMENT CONCERNING CONTRIBUTIONS TO COMMISSION MEMBERS.

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

2. APPROVAL OF THE MINUTES OF THE JANUARY 27, 2022 MEETING.

Moved (Wright) seconded (Williams) to approve the Minutes of the January 27, 2022 meeting.

Chair Vargas called for the vote.

AYES: Vargas, Love, Wright, Jeffries, Hewitt, Sanchez, and Williams.

NOES: None.

ABSENT: None.

ABSTAINED: None.

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

Angela Little. Ms. Little spoke in opposition about a proposed SOI amendment and annexation to the City of Hemet. She stated that the Communities of Winchester and Homeland were formed to make sure that this would not happen.

Chair Vargas stated that a written comment from **Brad Anderson** was received after the 5:00 p.m. deadline. He stated staff would forward the comment to the Commission after the meeting.

4. CONSENT CALENDAR (NON-HEARING ITEMS):

a. LAFCO Monthly Expenditure Review.

b. Ratification of LAFCO Investment Policy.

Moved (Jeffries) seconded (Hewitt) to approve the consent calendar as recommended by staff.

Chair Vargas called for the vote.

AYES: Vargas, Love, Wright, Jeffries, Hewitt, Sanchez, and Williams.

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. Independent Auditor's Report for Fiscal Year 2020-21.

Mr. Thompson presented this item. He stated that the net position was down from previous year but it was still a positive net position. Chair Vargas added the Audit was reviewed by the Administrative Review Committee. Mr. Thompson introduced Jonathan Foster from Davis Farr LLP.

Jonathan Foster, Davis Farr LLP. Mr. Foster presented a PowerPoint presentation outlining the process and details of the audit. He stated that an unmodified opinion was issued on the financial statements. He stated that the internal controls showed that there were no items to report. He gave an update on accounting standards that may affect

LAFCO next year. Mr. Foster reviewed the pension liability and OPEB liability.

This was a receive and file item.

b. Fiscal Year 2021-22 Mid-Year Budget Review.

Mr. Thompson presented this item. He stated that the overall status of the budget was good. He stated that the end of the year projected revenue was less than anticipated. Mr. Thompson stated that even though the pension liability was positive this year, that he is recommending fully funding the reserves as budgeted. He stated that even though revenues are down, expenditures are also down and the budget should be balanced at the end of the year. He stated that there will be an increase in the local agency share for next year.

This was a receive and file item.

c. Discussion Regarding Commission Meeting Time.

Mr. Thompson stated that at the last meeting Commissioner Hewitt requested the meeting start time be changed to accommodate those Commissioners that sit on boards that meet on the same day.

Commissioner Hewitt proposed 8:30 a.m. or 9:00 a.m.

After some discussion the Commission decided to change the start time of the Commission meetings from 9:30 a.m. to 8:30 a.m.

Moved (Hewitt) seconded (Sanchez) to change the start time of regular Commission meetings from 9:30 a.m. to 8:30 a.m. effective at the next meeting.

Chair Vargas called for the vote.

AYES: Vargas, Love, Wright, Jeffries, Hewitt, Sanchez, and Williams.

NOES: None.

ABSENT: None.

ABSTAINED: None.

d. Discussion of a Request from Richland Communities Regarding the Rio Vista Annexation to Rubidoux Community Services District.

Commissioner Hewitt abstained from this item due to a conflict of interest and left the meeting at 9:56 a.m.

Mr. Thompson stated that this project to annex into the Rubidoux Community Services District (RCSD) was on hold since 2019 as they

were working on a revision to the Specific Plan with the City of Jurupa Valley. He stated that the current EIR was 30-years old. He stated the applicant has asked that they now move forward under the current entitlements and EIR. Mr. Thompson stated that there are concerns with approving an annexation and as responsible agency, certifying an EIR that is 30 years old knowing a change could be coming to what the Commission would approve. He stated that the environmental documents would need to be updated anyways.

Mr. Thompson stated the recommendation was to not to move forward with the annexation with the old EIR and wait until they completed their process with the city for the new environmental documents. Mr. Thompson stated he did not want to open up the Commission to potential litigation.

Commissioner Jeffries asked if LAFCO would be indemnified if there was litigation. Mr. Thompson stated yes, as a standard condition of approval.

Commissioner Williams stated that using a 30-year old document could be inviting a lawsuit and asked if they could do an amendment. Commissioner Sanchez agreed.

Commissioner Jeffries left the meeting at 10:05 a.m. due to a conflict of interest.

Chair Vargas opened public comments.

Brian Hardy, Richland Communities, applicant. Mr. Hardy stated that the analysis on the sewer and water were done with RCSD. He stated the EIR is legal and valid even if it is old. He stated that waiting for revisions could delay the much need housing in the area. He stated that waiting for the new EIR to be processed would not change the boundary of the proposed annexation and asked the Commission to move forward with the application in parallel with the entitlement process.

Chair Vargas stated that if there are no changes to the plans they can move forward and if there are changes it triggers changes to the EIR. Chair Vargas asked to clarify the rules of an EIR and that they cannot last forever.

Mr. Thompson stated that staff could continue processing the application up to the point of receiving a new Draft EIR and complete with the City prior to issuing a Certificate of Filing and bringing it before the Commission. He stated that the required Compliance Plan is almost complete.

Mr. Thompson stated that LAFCO will move forward to work with the City and the developer until the new EIR is complete.

Commissioner Williams asked if waiting for a new EIR will be approved is pre-determining LAFCO's decision. Counsel Cushman stated that no, the project would be moving forward, and LAFCO would not act on the proposal until the city certified the EIR.

Commissioner Sanchez agreed to continue to process the proposal while the new EIR is being certified.

Commissioners Jeffries and Hewitt returned to the meeting at 10:16 a.m.

e. Delegation of Authority Resolution-State Water Resources Control Board-Governance and Electricity Service Study-Imperial Irrigation District.

Mr. Thompson stated that a resolution to delegate authority to the Executive Officer to approve invoices and any additional documents. He stated he would bring the agreement to the Commission to approve once it is prepared.

Moved (Hewitt) seconded (Williams) to approve the Delegation of Authority Resolution-State Water Resources Control Board-Governance and Electricity Service Study-Imperial Irrigation District as recommended by staff.

Chair Vargas called for the vote.

AYES: Vargas, Love, Wright, Jeffries, Hewitt, Sanchez, and Williams.

NOES: None.

ABSENT: None.

ABSTAINED: None.

f. Discussion Regarding Returning to Hybrid Meetings.

Mr. Thompson stated that after discussions with Chair Vargas, they decided to discuss with the Commission whether to go back to hybrid meetings. He stated that AB 361 allows for virtual meetings without certain Brown Act requirements. He stated that approving the resolution could be added to the next agenda and it would be required to approve the resolution within 30-days of the next meeting.

After some discussion there was a consensus to put the approval of the resolution on the agenda at the next meeting.

Brad Anderson, resident of the City of Rancho Mirage. Mr. Anderson opposes changing the format of the meetings to hybrid meetings. He stated AB 361 was enacted for a health issue and not for convenience. He stated the Brown Act requirements are good for transparency.

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.

Mr. Thompson reviewed the Conducting Authority Proceedings report.

8. **LEGISLATIVE UPDATE AND POTENTIAL POSITIONS.**

Mr. Thompson gave an update on pending legislation. He stated SB 938, Protest Provisions with a future amendment is moving forward. He stated that CALAFCO was watching approximately 17 bills.

9. **EXECUTIVE OFFICER REPORTS.**

Mr. Thompson stated the CALAFCO Staff Workshop was canceled. He stated that some of the sessions would be offered as CALAFCO U courses, webinars, or presented at future conferences.

Ms. Craig gave an update on the City MSR and the status of the GIS Analyst position.

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

Chair Vargas mentioned that the Stephens' kangaroo rat was moved from the endangered to the threatened list. He stated that this was due to the efforts of the Riverside County Habitat Conservation Agency and the Western Riverside County Regional Conservation Authority.

11. **ADJOURNMENT.**

The Commission adjourned the meeting at 10:37 a.m.

Respectfully submitted,



Elizabeth R. Valdez
Commission Clerk