



2.a.
3/27/2025

MINUTES
February 27, 2025

Present Michael Vargas, Chair
Commissioners: Yxstian Gutierrez, Vice-Chair
Stephen Corona
V. Manuel Perez
Stephen Tomanelli
Bruce Underwood

Absent
Commissioners: Steve Sanchez

Present Staff: Gary Thompson, Executive Officer
Crystal Craig, Assistant Executive Officer
Michael Henderson, GIS Analyst
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 9:00 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. ANNOUNCEMENT CONCERNING CONTRIBUTIONS TO COMMISSION MEMBERS.

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

Commissioner Perez arrived at the meeting at 9:02 a.m.

2. APPROVAL OF THE MINUTES:

a. January 23, 2025

Moved (Corona) seconded (Gutierrez) to approve the Minutes of the

January 23, 2025, meeting as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Perez, Gutierrez, Tomanelli, Underwood, and Vargas.

NOES: None.

ABSENT: Sanchez.

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 (Tomanelli) to approve the Consent Calendar as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Perez, Gutierrez, Tomanelli, Underwood, and Vargas.

NOES: None.

ABSENT: Sanchez.

ABSTAINED: None.

5. PUBLIC HEARINGS:

Continued:

a. Amendment to the LAFCO Processing Fee Schedule.

Ms. Craig presented this item. She stated that the public hearing remained open, and the item was continued from last month to allow for comments and that none were received. She recommended the Commission set a schedule to review the fees and implement it in a policy to be added to the policy manual. She stated the Schedule, if approved, will be effective March 1, 2025.

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

Moved (Perez) seconded (Underwood) to approve the Amendment to the LAFCO Processing Fee Schedule and to implement a policy to review it annually as part of the budget preparation as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Perez, Gutierrez, Tomanelli, Underwood, and Vargas.

NOES: None.

ABSENT: Sanchez.

ABSTAINED: None.

New:

- b. LAFCO 2024-09-5-Annexation to the Beaumont-Cherry Valley Water District (Beaumont Land Partners, LLC - Xenia Avenue) 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 adoption of a resolution making determinations on the proposal.

Mr. Henderson presented this item. He stated that the proposal consisted of approximately 11 acres for water services by the Beaumont-Cherry Valley Water District (BCVWD). He stated that this was also a technical boundary clean-up which would prevent the formation of islands of 12 of 18 parcels that were partially within the BCVWD. He stated that there was not 100% landowner consent therefore it would require a protest hearing.

Chair Vargas opened the public hearing.

Commissioner Gutierrez asked if this is just a routine annexation asking for water services from BCVWD. Ms. Craig stated yes and that although routine, during the analysis it was discovered the parcels were split and therefore made it more complicated.

Paul Onufer, Beaumont Land Partners. Mr. Onufer stated that during the meeting with the residents' concerns were addressed although there was one resident that did not want to annex. He thanked staff for their hard work on this proposal.

Chair Vargas closed the public hearing.

Moved (Gutierrez) seconded (Corona) to approve LAFCO 2024-09-5-Annexation to the Beaumont-Cherry Valley Water District (Beaumont Land Partners, LLC - Xenia Avenue) as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Perez, Gutierrez, Tomanelli, Underwood, and Vargas.

NOES: None.

ABSENT: Sanchez.

ABSTAINED: None.

- c. LAFCO 2024-10-5-Annexation to Beaumont-Cherry Valley Water District (Orchard Logistics Center) and pursuant to the California Environmental Quality Act the Commission, as responsible agency, will review and consider the Final Environmental Impact Report prepared by the City of Beaumont, as lead agency, and adoption of a resolution making determinations on the proposal.

Ms. Craig presented this item. She stated that this proposal was for water services to one parcel consisting of 31 acres of vacant, undeveloped land. She stated that there was 100% landowner consent and the District has indicated they can meet the water demand for this project.

Chair Vargas opened the public hearing. There being no one wishing to speak he closed the public hearing.

Moved (Gutierrez) seconded (Corona) to approve LAFCO 2024-10-5-Annexation to Beaumont-Cherry Valley Water District (Orchard Logistics Center) as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Perez, Gutierrez, Tomanelli, Underwood, and Vargas.

NOES: None.

ABSENT: Sanchez.

ABSTAINED: None.

6. OTHER BUSINESS:

- a. Independent Auditor's Report for Fiscal Year 2023-24.

Mr. Thompson stated that over all the audit was good, and that the net position has gone from negative to positive. He introduced the Auditor, Jonathan Foster, Davis Farr, LLP.

Mr. Foster presented a PowerPoint Presentation. He thanked staff for their assistance with preparing the audit. He stated that an unmodified opinion was issued. He stated that there were no weaknesses in internal controls. Mr. Foster reviewed how the audit was prepared. He reviewed the Capital Assets, Pension Plan, OPEB, as well as fund balances, and liabilities.

Commissioner Gutierrez asked about the reserve amount. Mr. Foster showed the slide showing each reserve, committed and unrestricted.

Mr. Thompson stated that there is a policy on funding the reserve accounts.

Commissioner Underwood asked if the OPEB and pension liability

should be reduced.

Mr. Foster responded that as long LAFCO makes the required contributions that LAFCO should be fine. He stated that LAFCO is part of a cost sharing plan with the County.

Mr. Thompson stated that there is a policy in place and that we have our own reserve for our pension pay down. He stated that there is a five-year policy, and he will be reviewing that soon to make continued contributions in order to get us to the 80% funded per policy.

Commissioner Perez asked how much was paid into the pension liability reserve. Mr. Foster reviewed the slide showing the amounts as of June 30, 2023.

Mr. Thompson stated that the pension liability is at \$525,000 and there will be another contribution this year making it approximately 48% of the policy requirement.

Commissioner Gutierrez asked how Riverside LAFCO's budget compares to others throughout the state. Mr. Thompson stated that there is no way to compare as each functions independently.

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

b. Fiscal Year 2024-25 Mid-Year Budget Review.

Mr. Thompson presented a PowerPoint Presentation. He stated that revenues were over budget and expenditures were below budget. He stated that the year-end carryover will be approximately \$154,000. He reviewed the reserve funds, expenditure accounts, and compensated absences.

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

c. LAFCO 2025-02-2-Request for Extra-Territorial Service Provision - Elsinore Valley Municipal Water District (Water) (Tri Pointe Homes, Canyon Hills Estates/Heights)

Ms. Craig presented this item. She stated that this was a request for five parcels of approximately 81 acres to temporarily receive expedited water service by Elsinore Valley Municipal Water District (EVMWD) in order to begin grading the land. She stated that the parcels were within the sphere of influence of EVMWD, and a required annexation has been received by LAFCO. She stated that there was a condition of approval that this service would be for three months to ensure the annexation was completed.

Moved (Corona) seconded (Underwood) to approve LAFCO 2025-02-2-Request for Extra-Territorial Service Provision - Elsinore Valley Municipal Water District (Water) (Tri Pointe Homes, Canyon Hills Estates/Heights) as recommended by staff.

Chair Vargas called for the vote.

AYES: Corona, Perez, Gutierrez, Tomanelli, Underwood, and Vargas.

NOES: None.

ABSENT: Sanchez.

ABSTAINED: None.

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 2025-03-1,2,3,4,&5-Countywide Municipal Service Review and Sphere of Influence Reviews and Potential Updates - Independent Public Cemetery Districts: Coachella Valley Public Cemetery District, Elsinore Valley Cemetery District, Murrieta Valley Cemetery District, Palm Springs Cemetery District, Palo Verde Cemetery District, San Jacinto Valley Cemetery District, Summit Cemetery District, and Temecula Public Cemetery District

Ms. Craig reviewed the proposal. She stated that a draft has been submitted to all agencies and that any comments would be incorporated into the final draft.

b. Report on Conducting Authority Proceedings.

Mr. Thompson gave an update on the conducting authority proceedings.

8. LEGISLATIVE UPDATE AND POTENTIAL POSITIONS.

Mr. Thompson stated that the legislation session just started. He stated that the CALAFCO Legislative Committee met last week and there were three recommendations for the Omnibus Bill. He stated that he had gathered previous legislation information for Supervisor Perez as requested.

There was no action taken by the Commission.

Supervisor Perez left the meeting at 9:47 a.m.

9. EXECUTIVE OFFICER REPORTS.

Mr. Thompson stated that the revised 5-Year Pension/OPEB Reserve

Policy would be before the Commission next month. He stated he was working on the final draft of the Cemetery District for next month. He stated that the next MSR would be for the Resource Conservation Districts.

Mr. Thompson stated that he would be in Florida after the meeting for one week.

10. COMMISSIONER COMMENTS/FUTURE ITEMS.

Commissioner Underwood asked if the CALAFCO Legislative Committee was available to watch on Zoom.

Mr. Thompson stated it was a webinar and that you could not see who was in attendance but could still participate via comment. He stated that the link for the meeting is within the agenda that he sends out to the Commission.

Commissioner Underwood asked if one commissioner asks for information is it distributed to the full commission. Mr. Thompson replied yes.

11. ADJOURNMENT.

The Commission adjourned the meeting at approximately 9:50 a.m.

Respectfully submitted,


Elizabeth R. Valdez
Commission Clerk