
COMMISSIONERS

CITY

Maria Nava-Froelich, Chair

CITY

Jason Jackson

COUNTY

Michael Kelley

COUNTY

Raymond“Ray” Castillo, Vice-Chair

PUBLIC

David H. West

Imperial



LOCAL AGENCY FORMATION COMMISSION

EXECUTIVE OFFICER

Jurg Heuberger, AICP, CEP

LEGAL COUNSEL

Ryan D. Childers

ALTERNATES

CITY

Jim Predmore

COUNTY

Luis Plancarte

PUBLIC

Vacant

www.iclafco.com

ACTION MINUTES OF THE REGULAR LAFCO HEARING

April 26, 2018

8:30 a.m.

**El Centro City Council Chambers
1275 Main Street, El Centro, CA**

VOTING COMMISSIONERS PRESENT:

Jim Predmore
Luis Plancarte
Jason Jackson
David West

ALTERNATE COMMISSIONERS PRESENT:

None

ABSENT:

Ray Castillo, Vice Chair
Maria Nava-Froelich, Chair
Michael Kelley

STAFF PRESENT:

Jurg Heuberger, Executive Officer
Paula Graf, Analyst

REGULAR SESSION OF THE LAFCO CALLED TO ORDER AT 8:30 A.M.

3. Approval of Consent Items

3A. Minutes from March 22, 2018

3B. Project Report update

Motion by Commissioner Jackson to approve Items 3A and 3B.

MOTION: Jackson

AYES: Jackson, West, Plancarte

ANO: None
ABSTAIN: Predmore
ABSENT: Castillo, Froelich, Kelley

4. **Public Comments**

No public comments were made.

ANNOUNCEMENTS

5A. **Announcements by the Commissioners**

No announcements were made.

5B. **Announcements by the Executive Officer**

Mr. Heuberger stated Commissioner Predmore is in attendance today serving as the alternate for Commissioner Froelich.

i. **Financial Statements for FY 16/17**

Mr. Heuberger stated the financial statements for FY 16/17 have been provided to the Commission. LAFCO Accountant Ms. Julie Carter is absent today and she is the more experienced so he will try and answer any questions. The six southern LAFCO's have an agreement with the same auditing firm that has proved to be cost effective and the agreement will be in effect for one more fiscal year.

Commissioner West asked if any major issues were found with the audit.

Mr. Heuberger replied no, nothing illegal or otherwise were found.

DISCUSSION/ACTION/DIRECTION

6. **Discussion/Action/Adoption of a Resolution of Intent to initiate the proceedings for representation of Independent Special Districts upon the commission.**

Mr. Heuberger stated the Commission currently consists of two County members, two City members, and one Public member. By statute the special districts could have two seats. If the districts voted in favor they would have two permanent and one alternate member. Three attempts to seat the special districts have been made in the past with one of the first attempts coming close and that was headed by Mr. Dennis Jones, from the cemetery district. Most recently the Heber Public Utility District (HPUD) requested LAFCO push this item to see if the special districts would be interested in a seat. The California Special Districts Association (CSDA) contacted the special districts urging them to consider voting in favor of being on the commission. There are several

special districts that don't qualify as an independent special district. County Service Areas are governed by the Board of Supervisors. The Gateway CSA is a special district but doesn't qualify to vote since they are not an independent special district. We have a total of 14 independent special districts. To vote in favor it would only take a majority of the quorum. As an example, a quorum is met if 8 districts are in attendance and it would only take 5 votes out of the 8 to vote in favor of special districts on the commission. If all 14 districts show up then it would take 8 to vote. The other uniqueness is the cost formula for paying the share of the LAFCO budget. The current formula is the county pays 50% and the cities pay collectively the other 50%. The cost formula with special districts would go to 1/3 county, 1/3 cities collectively, and 1/3 special districts collectively. Unlike the cities, the cost is shared based on a percentage of their gross revenues. The special districts calculations are the same but there is a caveat that one district cannot be charged more than 50%. That doesn't apply to the cities. The largest revenue producer is the City of El Centro and they pay the lion share. If the resolution is passed today then the special districts will meet on May 2nd and at that meeting the special districts presiding officer or appointed person via resolution can vote on the districts behalf. The districts can't send just anyone. IID staff asked if it would be possible at the May 2nd meeting to continue the vote for the special district seat. He doesn't see an issue with that since we aren't under a timeline. If the resolution is passed today we have complied with having a meeting within the 15 days. If the districts decide they need additional time then there's nothing in the statute that precludes that. At this point his guess is the districts would vote against the seat because of the cost. This meeting also includes the appointment to the RDA Oversight Board. As the Commission recalls legislation requires each county to have one RDA Oversight Board and the special districts appoint one representative to that board. If the special districts don't appoint someone then the governor will. The CSDA has urged the districts to appoint someone. The more crucial decision is whether the districts want a seat on the Commission. He attended IID's meeting last week and it didn't seem like the IID Board is in favor. IID President Mr. Hanks has asked to meet with him prior to the May 2nd meeting which he will do. The direction by the IID Board to IID staff was to contact each district and lobby them not to vote in favor of a seat. He met with staff after that meeting and advised them to be careful of doing so due to possible legal issues. The resolution today authorizes the Executive Officer to schedule the meeting. If it passes then it will be back on the agenda in May and at that time formal action would be taken to have the two additional seats on the commission.

Commissioner Jackson asked if any district besides HPUD is interested in the seat.

Mr. Heuberger replied originally there were several districts interested. During the IID meeting an e-mail was sent by the HPUD to IID Director Hanks stating they are interested and want special districts on LAFCO but in order for that to happen the IID would have to pay 95% of the total 1/3 share so the HPUD share would be reduced to \$3,200 from \$32,000.

Commissioner Jackson asked if it will go anywhere.

Mr. Heuberger replied that unless the IID has a change of heart and is willing to pay the freight to obtain a permanent seat. The IID's concern is that they would pay a lot of money and not have a seat and he replied that a permanent seat could be negotiated amongst the districts.

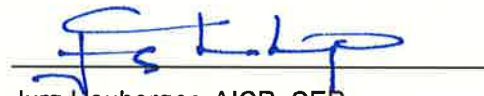
Commissioner Plancarte asked if that would be negotiated amongst the districts.

Mr. Heuberger replied it would be negotiated amongst the districts. Pursuant to statute the cities could get together and agree to a different formula. Each city would have to pass a resolution agreeing to the different formula. The same would apply to the special districts. If the districts were successful in convincing the IID to pay more and obtaining a permanent seat than each special district would have to pass a resolution spelling out the terms. In other LAFCO's throughout the state there are situations where a special district pays more for a permanent seat. Los Angeles has statute specific to their county.

Motion by Commissioner Jackson to adopt Resolution #2018-11 as presented.

MOTION:	Jackson
AYES:	Jackson, West, Plancarte, Predmore
ANO:	None
ABSTAIN:	None
ABSENT:	Castillo, Froelich, Kelley

Maria Nava-Froelich, Chair



Jurg Heuberger, AICP, CEP
Executive Officer to LAFCO