
COMMISSIONERS

CITY

Don C. Campbell

CITY

Jason Jackson

COUNTY

Michael W. Kelley

COUNTY

Raymond "Ray" Castillo

PUBLIC

David H. West



ALTERNATES

CITY

Maria Nava-Froelich

COUNTY

Jesus "Jack" Terrazas

PUBLIC

VACANT

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EXECUTIVE OFFICER
Jurg Heuberger, AICP, CEP

LEGAL COUNSEL
Ryan D. Childers

MINUTES OF THE LAFCO
March 27, 2014

The County of Imperial Local Agency Formation Commission (LAFCO) convened a regular meeting on Thursday, March 27, 2014 at 8:30 a.m. in the IID Board Chambers located at 1285 Broadway, El Centro, California.

Commissioners Present: Campbell, Froelich, Castillo, Terrazas, West

Staff Present: Executive Officer Heuberger, Clerk Bruce, Accountant Carter, Legal Representative Childers

3. Approval of Minutes from January 23, 2014.

Motion made by Commissioner West and passed by the roll call vote of Campbell, Castillo, Terrazas, and West to approve the minutes from January 23, 2014 as presented. Commissioner Froelich abstained from the vote.

4. Approval of Consent Items: *None*

5. Public Comments: *None*

ANNOUNCEMENTS

6. A. Announcements by the Commissioners.

There were no announcements by the Commissioners.

No action was taken on this item.

B. Announcements by the Executive Officer.

Mr. Heuberger welcomed Commissioner Froelich to the Commission as the Alternate City Representative.

No action was taken on this item.

C. Announcements by the LAFCO Legal Representative, Ryan Childers, regarding changes to the Brown Act.

Mr. Childers reviewed changes to the Brown Act that became effective earlier this year. One change includes that each vote for any item must be taken by roll call. This also applies for closed session items. However, changes still do not require LAFCO to have a second.

No action was taken on this item.

ACTION/DIRECTION ITEMS

7. Discussion/Direction/Adoption of the updated Employee Handbook.

The Employee Handbook is a condensed version of the LAFCO Personnel Policy Manual. The Handbook has been updated to reflect the same revisions made in the previously approved Personnel Policy Manual.

Motion made by Commissioner West and passed by the unanimous roll call vote of all commissioners present to approve the Employee Handbook with modifications.

8. Discussion/Direction regarding Employee Retiree Health Benefit as a result of changes of policy by the County.

Mr. Heuberger explained the County's proposed change in Retiree Health Benefit policy. The changes would no longer provide coverage to non-county employees including LAFCO, Imperial County Transportation Commission (ICTC), and the County Courts. Staff members of each agency who had previously worked for the County for a minimum of five years would still be eligible for a certain percentage of the Retiree Health Benefit.

Commissioner Terrazas excused himself from the Commission due to a possible conflict of interest.

Mr. Ralph Cordova, CEO of the County of Imperial, described the benefit as a self-funded coverage system meant for County employees only. Similarly when LAFCO and ICTC broke away from the County years ago and requested to be part of the County Health Insurance Program, they were denied because they were no longer County employees.

Mr. Heuberger discussed how LAFCO employees are members of the Imperial County Retirement System (ICERS) and ICERS is a separate entity from the County. LAFCO has adopted personnel policies identical to Imperial County, so LAFCO employees are essentially County Employees. It was due to new legislation that LAFCO separated from the County. Mr. Heuberger proposed that previous years of service with the County and years of service with LAFCO be combined to create the total years of service. He continued saying that this new

proposal by the County should only affect new hires, not existing employees due to the fact that when current employees were hired, they were promised certain benefits.

Mr. Heuberger said that staff is currently looking into other options for Retiree Health Benefits but options are limited and costly.

Commissioner West requested to be part of future meeting held on this issue.

No action was taken on this item. It will be continued to the following meeting on April 17, 2014.

9. Discussion/Direction/Adoption of the Draft LAFCO Budget for the upcoming fiscal year 2014/2015.

LAFCO must adopt the annual draft budget prior to May 1st and a final must be adopted prior to June 15th.

LAFCO is still waiting for the final report from our auditors. There have been some changes made by them but are no issues that we are aware of.

One option for the Commission to choose from in the proposed budget is for LAFCO to use its reserves and make a \$301,000 payment to pay off the building. When the building was first purchased it was the goal to pay it off as soon as possible. Once the building is paid off, rent payment from tenants can be used to offset the budget.

Commissioner Campbell requested a breakdown of larger expenses for the Commission to review.

Commissioner West said that LAFCO should be sure to spend the taxpayer money wisely. An option for cutting expenses is to use video conferencing instead of out of county travel.

Mr. Heuberger responded that Imperial LAFCO has the equipment for video conferencing; however the CCL and other agencies don't always have the equipment available. Mr. Heuberger also mentioned that another reason for the high travel expense is the CALAFCO Annual Conference. The Conference is usually held in nicer places across California and all commissioners usually attend.

Commissioner Terrazas questioned why the increase in salaries.

Mr. Heuberger replied that the increase in salaries includes the annual 5% increase for staff and the reclassification of the Clerk to Analyst.

Mr. Cordova asked what LAFCO's process of reclassification is.

Mr. Heuberger replied that the Executive Officer makes the final decision on classifications as stated in the Personnel Policy Manual.

Motion made by Commissioner Castillo and passed by the unanimous roll call vote of all commissioners present to continue this item to the following meeting on April 17, 2014.

10. Discussion/Direction/Adoption of the LAFCO Resolution regarding the Imperial County Retirement System.
 - A. Sick Time

The resolution as attached in the meeting backup was written and directly came from ICERS.

This item was continued from the previous meeting to verify language in the resolution compared to the ICERS Booklet. It was verified that the language in the resolution is correct.

Commissioner Terrazas before the meeting had commented to Mr. Heuberger of the 15% buyout included in the ICERS Handbook and recommended that it be included in the resolution as well.

Mr. Cordova commented that the 15% buyout referenced in the ICERS Booklet is a County benefit for County Employees only. The 15% buyout is funded by the County, not ICERS.

Motion made by Commissioner Froelich and passed by the unanimous roll call vote of all commissioners present to continue this item to the following meeting on April 17, 2014.

11. Budget Adjustment: Tenant Improvements to Suite A at 1122 State Street.

LAFCO has an interested party to rent out Suite A however they are requesting some modifications to be made. So far, we have received one quote for the construction and we are waiting for others. The quote received was in the amount of \$28,000. Mr. Heuberger requested approval to choose a contractor and proceed with construction once other quotes are received; the lowest bidder will be chosen. LAFCO will be requiring a 5-year lease with the tenants in order to make up for the construction costs.

Motion made by Commissioner West and passed by the unanimous roll call vote of all commissioners present to approve the remodel improvements to Suite A in an amount not to exceed \$28,000.

PUBLIC HEARING ITEMS

12. Public hearing to consider the approval of HV 1-14, City of Holtville Wastewater Outfall Main & Residential Collection Pipeline.

Government law says that City services may not be extended outside the City's boundaries without LAFCO approval. LAFCO promotes extensions of services as long as they are not growth inducing and abide health and safety laws. LAFCO most always approves requests for extensions as long as they make sense.

As part of a larger project, the City of Holtville is requesting that seven residences be connected to a new sewer pipeline being installed along the north side of the City. Some nearby residences are already connected to the City's services and future connections are possible. While LAFCO gives the final approval on an extension of services, it is ultimately the City's decision to provide the services to the requestors. LAFCO is strictly approving the connections to the seven properties listed in the Executive Officer's Report, no more. Any other properties that wish to connect in the future will have to submit applications to the City and to LAFCO.

Commissioner Terrazas asked why LAFCO is not requiring that these properties be annexed.

Mr. Alexander Meyerhoff, City Manager for the City of Holtville, said it would likely slow down the process to "require" an annexation.

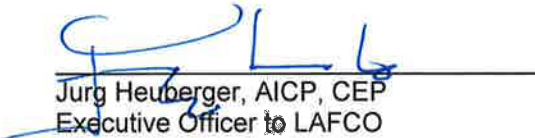
Motion made by Commissioner West and passed by the unanimous roll call vote of all commissioners present to approve the extension of services for the Holtville Wastewater Outfall Main & Residential Collection Pipeline project.

EXECUTIVE SESSION

No Executive Session Items

Meeting Adjourned at 10:28 a.m.

Don Campbell, Chairman



Jurg Heuberger, AICP, CEP
Executive Officer to LAFCO