

EXECUTIVE OFFICER'S REPORT

To The

Local Agency Formation Commission

TO:

Commissioner	DON CAMPBELL (Chair)	[City]	Commissioner	MICHAEL KELLEY	[Supervisor]
Commissioner	JASON JACKSON (Vice-Chair)	[City]	Commissioner	RAY CASTILLO	[Supervisor]
Commissioner	DAVID WEST	[Public]			
	Alt Commissioner	JACK TERRAZAS		[Supervisor]	
	Alt Commissioner	MARIA NAVA-FROELICH		[City]	
	Alt Commissioner	VACANT		[Public]	

REPORT DATE: September 2, 2014

FROM: Jurg Heuberger, AICP, CEP, Executive Officer

PROJECT: HEFFERNAN MEMORIAL HOSPITAL DISTRICT

HEARING DATE: December 11, 2014 **TIME:** 8:30 a.m.

AGENDA ITEM NO: 11

HEARING LOCATION: IID Board Room, 1285 Broadway, El Centro, CA
(for directions call 760-353-4115)

RECOMMENDATION(S) BY THE EXECUTIVE OFFICER (In summary & order)

- OPTION #1:** Authorize the Executive Officer to initiate a report/study on the Heffernan Memorial Hospital District, as outlined under Executive Officer's Recommendation.
- OPTION #2:** Deny the Executive Officer to initiate a report/study on the Heffernan Memorial Hospital District, as outlined under Executive Officer's Recommendation.
- OPTION #3:** Take no action.

ANALYSIS

I: Executive Officers Summary:

The rewrite/update of the Cortese-Knox-Hertzberg Reorganization Act was a direct result of the “perception” or as some have suggested, the “fact” that LAFCO’s in general were not performing their responsibilities.

As most of you recall, a Commission was created by the Governor, and said Commission conducted hearings from one end of the state to the other. It was felt by many the LAFCO’s should be abolished and the LAFCO procedures handled by a new entity predominately directly from Sacramento.

In the end the state legislature found that LAFCO’s should be given one more chance to perform their responsibilities. To effectively do that however, the legislature granted more authority, along with more responsibility to LAFCO’s.

One of the more significant authorities was that LAFCO’s could and in fact were encouraged (strongly) to initiate proceedings on their own, to determine the functionality or lack thereof by any agency that fell under the regulatory authority of LAFCO’s.

Most recently the Imperial County Grand Jury interviewed the Executive Officer to LAFCO on the Heffernan Memorial Hospital District (HMHD). In part, the Jury questioned why the LAFCO had not taken action to investigate the HMHD and potentially dissolve the District. The Jury also questioned whether or not LAFCO was following statutory guidelines by not taking a look at this entity, in terms of whether or not it was providing the services as per their authority.

In keeping with the CHK mandate, the Executive Officer is without choice in bringing this matter before your Commission. The CHK clearly has a mandate that LAFCO evaluate each special district as well as each city under what is most commonly referred to as the Municipal Services Review (MSR), or in our case the Service Area Plan (SAP). The LAFCO upon review then has the authority to determine whether or not a special district should be dissolved or continue to operate.

Please note that this item, nor the Executive Officers Recommendation, is intended to pre-determine whether or not the HMHD should continue to exist. The purpose of this item is to obtain direction from the Commission on how the Imperial LAFCO will follow the CHK mandate to evaluate any special district, in this case the HMHD.

The Commission has two options: (1) is to direct staff to initiate a study/report to determine the status of the district and to make a recommendation to the Commission pursuant to Gov. Code § 56375, on whether the district should remain as is or be dissolved; (2) is to take no action.

II: Recommendation of the Executive Officer:

The Executive Officer recommends that the Commission authorize the Executive Officer to initiate a report/study on the HMHD on its current and past condition, its future viability, and the services it is providing, if any, and make a recommendation to the Commission.