

**LOCAL AGENCY FORMATION COMMISSION
REGULAR MEETING AGENDA**

Wednesday, August 11, 2004
9:00 a.m.

Board of Supervisors Hearing Room, Room 381B
Kenneth Hahn Hall of Administration
500 West Temple Street, Los Angeles 90012

A person with a disability may contact the LAFCO office at (818) 254-2454 at least 72 hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

1. **CALL MEETING TO ORDER.**
2. **PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIRMAN PELLISSIER.**
3. **HEARING**
 - a. Los Angeles County Sanitation District No. 22, Annexation No. 366 – 6.414 acres located on Azusa and San Gabriel Canyon Roads, north of Sierra Madre Avenue, in the City of Azusa. **(To be continued to the meeting of September 22, 2004 to allow for proper notice)**
4. **SPECIAL ITEMS**
 - a. Approve utilization of the Special District Risk Management Authority plan in lieu of the State Compensation Fund for Workers' Compensation coverage.
 - b. Approve July 2004 Operating Account Register.
 - c. Municipal Service Reviews and Spheres of Influence Update.
 - d. Report on pending applications.

5. **PUBLIC COMMENT**

This is the opportunity for members of the public to address the Commission on items that are not on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Speakers are reminded of the three-minute time limitation.

6. **FUTURE MEETINGS**

August 25, 2004

September 22, 2004

Note: The September 8, 2004 meeting has been cancelled due to scheduling conflict with 2004 CALAFCO Conference

7. **NEW BUSINESS**

This is the opportunity for commissioners to discuss matters not on the Posted Agenda (to be discussed and upon Commission approval placed on the Agenda for action at a future meeting).

8. **ADJOURNMENT MOTION**

Staff Report

August 11, 2004

Annexation No. 366 to County Sanitation District No. 22

Agenda Item No. 3A

The following is an inhabited annexation (37 registered voters) to County Sanitation District No. 22 of Los Angeles County. County Sanitation Districts has initiated this proposal at the request of the developer Guy C. Alexander, III.

Location: 6.414 acres located on Azusa and San Gabriel Canyon Road approximately 2,300 feet north of Sierra Madre Avenue all within the City of Azusa

Present and Surrounding Land Uses: The subject territory consists of 26 single-family homes. The land use in the surrounding area consists of single-family homes to the north and south, multi-family to the west and hillside to the east.

Sphere of Influence: The proposed annexation is consistent with the adopted sphere of influence for of CSD 22.

Provision of Services: The subject territory will be served by District No. 22's 12-inch diameter Base Line Trunk Sewer in Base Line Road at Dalton Avenue approximately 3 miles south of the subject territory. It is estimated that the subject territory will discharge an average flow of 0.0068 mgd (0.04 cfs peak flow) into a sewer with available capacity of 1.0 cfs (peak flow).

Present Capacity: Based on the information provided by the property owner, the District's sewerage facilities have or, in accordance with current policy, will have adequate capacity to collect, treat and dispose of the wastewater anticipated to be generated on the subject property. Actual sewer hook-up will not be allowed until payment of the connection fee and shall be subject to all circumstances then existent including the availability of capacity.

Financing: Services are financed through a connection fee and an annual user-charge system.

CEQA: The City of Azusa, as lead agency, adopted a negative declaration for the development of 26 single-family homes and made a determination that the project will not have a significant impact on the environment.

Tax Transfer: All affected agencies have adopted the appropriate tax transfer resolution.

Correspondence: Staff has not received any correspondence in opposition to or in support of this annexation.

RECOMMENDATION

1. Acting in its role as a responsible agency with respect to Annexation No. 366, and under State CEQA Guidelines Section 15096, LAFCO certifies that it has independently considered and reached its own conclusions regarding the environmental effects of the project and the negative declaration adopted by the City of Azusa, as lead agency, and has determined that the document adequately addresses the environmental impacts of the project. LAFCO finds that it has complied with the requirements of CEQA with respect to the process for a responsible agency and hereby adopts, by reference, the negative declaration, previously prepared by the lead agency, in connection with its approval of the project.
2. Adopt Resolution Making Determinations Approving Annexation No. 366 to County Sanitation District No. 22
3. Provide that the annexation shall be subject to the following term and condition:

The property so annexed shall be subject to the payment of such service charges, assessments or taxes as the County Sanitation District may legally impose.
4. Pursuant to Government Code Section 57002 set October 27, 2004 as the date for commission protest proceedings.

Staff Report

August 11, 2004

Workers' Compensation Insurance

Agenda Item 4A

LAFCO has been using the State Compensation Insurance Fund for its Workers Compensation coverage. Staff has held discussions with various LAFCOs and other agencies throughout the state to determine if there was an alternative to the existing plan. While the obvious objective was to find a new insurance plan at a lower premium cost it was also important that we also maintain the same quality of coverage with a safe and reliable insurance entity. LAFCO's insurance agent, Driver Alliant Insurance Services suggested we research using the Special District Risk Management Authority.

Background:

LAFCO has been using the California State Compensation Insurance Fund for its Workers Compensation coverage. The cost of workers compensation insurance coverage has risen dramatically in the past few years. Staff has held discussions with various LAFCO's and other agencies throughout the state to determine if there exists an alternative insurance provider to the California State Compensation Insurance Fund. While the obvious goal is to find a new insurance plan at a lower premium, it is also important that LAFCO maintain the same quality of existing coverage with the insurance carrier chosen to replace the California State Compensation Insurance Fund. LAFCO's insurance agent, Driver Alliant Insurance Services, suggested we research and consider using the Special District Risk Management Authority as the replacement carrier.

Driver Alliant Insurance Services found that LAFCO was eligible for the Special District Risk Management Authority plan and provided detailed a proposal. LAFCO staff has reviewed the proposal and found the coverage provided therein to be comparable to the coverage contained in the current policy. The new plan meets all of the basic criteria that staff determined was essential including a \$13,646.00 per annum reduction in premium cost.

The Special District Risk Management Authority is a joint powers authority formed pursuant to Government Code section 6500, et seq., for the purpose of providing its members with risk financing and risk management programs as authorized by Government Code Section 990.4. In order to participate in the Special District Risk Management Authority plan, the Commission must become a member of the joint powers authority by adopting the attached Resolution and executing the joint powers agreement. A commitment to participate in the plan for at least three years is also required. Legal counsel has reviewed the plan, joint powers agreement and Resolution for the Commission's approval.

Recommendation:

That the Commission approve the utilization of the Special District Risk Management Authority plan in lieu of the State Compensation Insurance Fund and authorize the Commission Chairman and the Executive Officer to execute all the appropriate resolutions and application forms required to implement the new plan.

RESOLUTION NO _____

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR LOS ANGELES COUNTY APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A FIFTH AMENDED JOINT POWERS AGREEMENT AND AUTHORIZING PARTICIPATION IN THE SPECIAL DISTRICT RISK MANAGEMENT WORKERS' COMPENSATION PROGRAM

WHEREAS, LOCAL AGENCY FORMATION COMMISSION FOR LOS ANGELES COUNTY, a public agency duly organized and existing under and by virtue of the laws of the State of California (the "Commission"), has determined that it is in the best interest and to the advantage of the Commission to participate for at least three years in the workers' compensation program offered by the Special District Risk Management Authority (the "Authority"); and

WHEREAS, California Government Code Section 6500 et seq., provides that two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, the Authority was formed in 1986 in accordance with the provisions of California Government Code 6500 et seq., for the purpose of providing its members with risk financing and risk management programs; and

WHEREAS, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus lines broker, or any combination of these; and

WHEREAS, Participation in Authority programs requires the Commission to execute and enter into a Fifth Amended Joint Powers Agreement (the "Amended JPA Agreement"); which states the purpose and powers of the Authority; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Commission is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Findings. The Commission hereby specifically finds and determines that the actions authorized hereby are in accordance with the powers of the Commission as set forth in Government Code Section 56375, et seq. .

Section 2. Fifth Amended JPA Agreement. The Amended JPA Agreement, proposed to be executed and entered into by and between the Commission and members of the Authority, attached hereto as Exhibit A , is hereby approved, and the Chairman of the Commission is hereby authorized and directed, for and in the name and on behalf of the Commission, to execute said Amended JPA Agreement and deliver same to the Authority.

Section 3. Program Participation. The Commission approves participating for three full programs years in the Authority's Workers' Compensation Program.

Section 4. Other Actions. The Executive Officer of the Commission is hereby authorized and directed to execute and deliver any and all other documents which are necessary in order to consummate the transactions authorized hereby and all such actions heretofore taken by the Executive Officer is hereby ratified, confirmed and approved.

Section 5. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this ___ day of _____, 20____ by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

LARRY J. CALEMINE, Executive Officer