



Local Agency Formation Commission
for the County of Los Angeles

Commission

Jerry Gladbach
Chair

Donald Dear
1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

Kathryn Barger
Richard Close
Mitchell Englander
Margaret Finlay
Janice Hahn
John Mirisch

Alternate Members

Lori Brogin-Falley
Sheila Kuehl
Judith Mitchell
Joseph Ruzicka
Greig Smith
Vacant
(City of Los Angeles)

Staff

Paul Novak
Executive Officer

Adriana Romo
Deputy Executive Officer

Amber De La Torre
Doug Dorado
Michael Henderson
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REGULAR MEETING

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION

FOR THE COUNTY OF LOS ANGELES

December 12, 2018

Present:

Jerry Gladbach, Chair

Kathryn Barger
Richard Close
Donald Dear
Margaret Finlay
Janice Hahn
Gerard McCallum
John Mirisch

Greig Smith, Alternate

Paul Novak, Executive Officer
Carole Suzuki, Legal Counsel

Absent:

Mitch Englander

Lori Brogin-Falley, Alternate
Sheila Kuehl, Alternate
Judith Mitchell, Alternate
Joe Ruzicka, Alternate
David Ryu, Alternate

1 CALL MEETING TO ORDER

The meeting was called to order at 9:03 a.m. in Room 381-B of the County Hall of Administration by Chair Jerry Gladbach.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

COMMISSION APPOINTMENTS AND ANNOUNCEMENTS

Chair Gladbach announced that the Los Angeles County Board of Supervisors (BOS) has appointed Supervisor Janice Hahn as the Chair of the Board for 2019. The BOS also re-appointed Supervisors Janice Hahn and Kathryn Barger as Voting Members of the Commission, and re-appointed Supervisor Sheila Kuehl as the Alternate Member of the Commission.

Chair Gladbach also announced that Los Angeles City Councilmember David Ryu has been appointed as the City of Los Angeles Alternate Member of the Commission. Commissioner Ryu formerly served on LAFCO in 2017.

Chair Gladbach thanked Commissioner Mitch Englander as a Voting Member of Commission, as he moves on to a new opportunity in the private sector.

Chair Gladbach acknowledged that the Los Angeles City Council is considering appointing Commissioner Greig Smith to serve as the Acting Councilmember in the 12th District (vacated by Councilmember Englander). It is expected Mr. Smith will serve from January to August of 2019 while the City of Los Angeles conducts a special election to replace Councilmember Englander.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

The Executive Officer (EO) read an announcement, asking that persons who made a campaign contribution of more than \$250 to any member of the Commission during the past twelve (12) months to rise and state for the record the Commissioner to whom such campaign contributions were made and the item of their involvement (None).

The EO read an announcement, asking if any Commissioner had received a campaign contribution that would require disclosure and recusal from any item on today's agenda (None).

4 SWEARING-IN OF SPEAKER(S)

The EO swore-in three (3) members of the audience who planned to testify.

5 INFORMATION ITEM(S) – GOVERNMENT CODE §§ 56751 & 56857 NOTICE

None.

6 CONSENT ITEM(S) – OTHER

The Commission took the following actions under Consent Items:

- a. Approved Minutes of November 14, 2018.
- b. Approved Operating Account Check Register for the month of November 2018.
- c. Received and filed update on pending proposals.

MOTION: Dear SECOND: Hahn APPROVED: 8-0-0
AYES: Barger, Close, Dear, Finlay, Hahn, McCallum, Mirisch, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Englander

7 PUBLIC HEARING(S)

None.

8 PROTEST HEARING(S)

None.

9 OTHER ITEMS

The following item was called up for consideration:

- a. Sativa County Water District Status Report.

The EO summarized the staff report on the Sativa County Water District (“District” or “Sativa”) Status Report.

The Commission opened the item to provide an opportunity for public testimony.

Dan Lafferty (Deputy Director, Los Angeles County Department of Public Works) came before the Commission. Mr. Lafferty noted that the main cause of brown water is lack of circulation within the distribution system, with many dead ends in the system. Mr. Lafferty indicated that at its December 18, 2018 hearing, the Los Angeles County Board of Supervisors will consider making a loan to Sativa in the amount of \$1.4 million to meet short-term goals to pay off current

debts, hire an accountant, conduct a forensic audit and to provide refunds to customers who were fined unnecessarily. Mr. Lafferty indicated that the goal is to stabilize the water system, and then transfer it to a long-term operator.

Commissioner Finlay asked if any criminal charges have been filed against District officials. Mr. Lafferty stated “no”.

[Commissioner Dear left at 9:16 a.m.]

Commissioner Hahn asked if the County of Los Angeles has a role in monitoring the progress of the new water purveyor. Mr. Lafferty indicated that preliminary compliance conditions could be included in the potential contract for sale of the water system.

There being no further public testimony, the item was closed.

The Commission took the following action:

- Received and filed the Sativa County Water District Status Report.

MOTION: Hahn SECOND: McCallum APPROVED: 7-0-0
AYES: Barger, Close, Finlay, Hahn, McCallum, Mirisch, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Dear, Englander

9 OTHER ITEMS

The following item was called up for consideration:

- b. Independent Auditor’s Report for Fiscal Year 2017-2018.

Jennifer Farr (Principal, Davis Farr Certified Public Accountants) gave a brief presentation summarizing the audit findings. Ms. Farr noted that there are no significant deficiencies, no material errors, nor any incidents.

Commissioner Mirisch asked if future new employees will have a defined contribution for pension benefits. The EO stated “no”.

The Commission took the following action:

- Received and filed the Independent Auditor’s Report, audited financial statements, and associated documents for Fiscal Year 2017-2018, beginning July 1, 2017 and ending June 30, 2018.

MOTION: Finlay SECOND: Barger APPROVED: 7-0-0
AYES: Barger, Close, Finlay, Hahn, McCallum, Mirisch, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Dear, Englander

[Commissioner Smith left at 9:52 a.m.]

9 OTHER ITEMS

The following item was called up for consideration:

- c. Sphere of Influence Updates and Municipal Service Review.

The EO noted that there were two typographical errors in the staff report located on page 5. The MSR Round Three, to be completed by the end of 2023 not 2022 as indicated in the staff report.

The EO recommended eliminating the Municipal Service Review (MSR) for the Los Angeles County Sanitation District No. 2.

The Commission took the following actions:

- Directed staff to undertake Round Three Municipal Service Reviews, and to prepare MSRs for the cities of Agoura Hills, Calabasas, Hidden Hills, and Westlake Village (combined MSR); Avalon; La Mirada; South El Monte; and Whittier; as well as the following special districts: Antelope Valley Health Care District; Antelope Valley Resource Conservation District; Beach Cities Health District; Point Dume CSD; Resource Conservation District of the Santa Monica Mountains; Sanitation Districts 18 and 21 of Los Angeles County; Santa Clarita Valley Water Agency; and Wrightwood CSD;
- Directed staff to prepare resolutions to reconfirm the existing SOIs for all remaining cities and special districts in Los Angeles County; and
- Directed staff to provide the Commission with bi-annual updates on the progress of preparing and adopting MSRs through the completion of Round Three in 2023.

MOTION: Finlay SECOND: McCallum APPROVED: 7-0-0
AYES: Barger, Close, Finlay, Hahn, McCallum, Mirisch, Gladbach
NOES: None.
ABSTAIN: None.
ABSENT: Dear, Englander

10 LEGISLATION

- a. Legislative Update.

None.

11 MISCELLANEOUS CORRESPONDENCE RECEIVED

The EO noted that the following letter had been received:

- a. Letter of November 20, 2018 from Los Angeles City Council President Herb J. Wesson appointing Councilman David Ryu as the Alternate Commissioner representing the City of Los Angeles.

12 COMMISSIONERS' REPORT

None.

13 EXECUTIVE OFFICER'S REPORT

The EO, on behalf of staff, wished the Commission Happy Holidays and a Happy New Year.

14 PUBLIC COMMENT

None.

15 FUTURE MEETINGS

January 9, 2019
February 13, 2019
March 13, 2019
April 10, 2019

16 FUTURE AGENDA ITEMS

None.

17 ADJOURNMENT MOTION

On motion of Commissioner Mirisch, seconded by Commissioner Hahn, the meeting was adjourned at 10:01a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Paul Novak', with a long horizontal flourish extending to the right.

Paul Novak, AICP
Executive Officer