



Voting Members

Jerry Gladbach
Chair

Donald Dear
1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

Kathryn Barger
Richard Close
Margaret Finlay
John Mirisch
Holly Mitchell
Vacant
(City of Los Angeles)

Alternate Members

Lori Brogin-Falley
Janice Hahn
David Lesser
Mel Mathews
Vacant
(City of Los Angeles)
Vacant
(Cities in Los Angeles
County)

Staff

Paul Novak
Executive Officer

Adriana Romo
Deputy Executive Officer

Amber De La Torre
Doug Dorado
Adriana Flores
Michael Henderson
Alisha O'Brien

80 South Lake Avenue
Suite 870
Pasadena, CA 91101
Phone: 626/204-6500
Fax: 626/204-6507

www.lalafco.org

LIVE VIRTUAL COMMISSION MEETING

LOCAL AGENCY FORMATION COMMISSION

Wednesday, February 10, 2021
9:00 a.m.

This meeting will be conducted as a virtual meeting with telephone 1-415-655-0001 (Access Code: 145 361 7447) and web access (<https://lacountyboardofsupervisors.webex.com/lacountyboardofsupervisors/onstage/g.php?MTID=ea8e4488ead11534c019ff4d2263e2f03>), pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, under the modified laws of the Ralph M. Brown Act for the COVID-19 emergency, as well as the County of Los Angeles "Safer at Home Order for Control of COVID-19".

FOR MEMBERS OF THE PUBLIC

TO LISTEN BY TELEPHONE AND PROVIDE PUBLIC COMMENT DIAL:

1-415-655-0001

Access Code: 145-361-7447 (English)

OR TO LISTEN VIA WEB AND PROVIDE COMMENT:

<https://lacountyboardofsupervisors.webex.com/lacountyboardofsupervisors/onstage/g.php?MTID=ea8e4488ead11534c019ff4d2263e2f03>

TO PROVIDE WRITTEN PUBLIC COMMENT: Any interested person may submit written opposition or comments by email at info@lalafco.org prior to the conclusion of the Commission Meeting or by mail to the LAFCO Office at 80 S. Lake Avenue, Suite 870, Pasadena, CA 91101, no later than 5:00 p.m. on the business day preceding the date set for hearing/proceedings in order to be deemed timely and to be considered by the Commission. Any written opposition and/or comments will be read during the meeting for a maximum of three (3) minutes per comment, per item.

The entire agenda package and any meeting related writings or documents provided to a majority of the Commissioners after distribution of the agenda package, unless exempt from disclosure pursuant to California Law, are available at www.lalafco.org

1. **CALL MEETING TO ORDER**
2. **PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIR GLADBACH**
3. **DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)**
4. **SWEARING-IN OF SPEAKER(S)**
5. **INFORMATION ITEM(S) – GOVERNMENT CODE §§ 56751 & 56857 NOTICE**

- a. None

6. **CONSENT ITEM(S)**

All matters are approved by one motion unless held by a Commissioner or member(s) of the public for discussion or separate action.

- a. Approve Minutes of January 13, 2021 Regular Meeting and January 13, 2021 Special Meeting
- b. Approve Operating Account Monthly Register Report for the months of December 2020 and January 2021.
- c. Receive and file update on Pending Proposal

7. **PUBLIC HEARING(S)**

- a. None

8. **PROTEST HEARING(S)**

- a. None

9. **OTHER ITEMS**

- a. Fiscal Year 2020-21 Mid-Year Budget Report
- b. Fiscal Year 2020-21 Mid-Year Investment Report
- c. Procurement and Reporting Policy Annual Report for 2020

10. **LEGISLATION**

- a. Legislative Update and request to take a “Support” position relative to anticipated legislation to amend Government Code § 56133(e)

11. **MISCELLANEOUS CORRESPONDENCE**

- a. January 27, 2021 Letter from Executive Officer Paul Novak to the Honorable Nury Martinez, City Council President, requesting appointments of a City of Los Angeles Voting Member and Alternate Member to the Commission

12. **COMMISSIONERS' REPORT**

Commissioners' questions for staff, announcements of upcoming events and opportunity for Commissioners to briefly report on their LAFCO-related activities since last meeting.

13. **EXECUTIVE OFFICER'S REPORT**

Executive Officer's announcement of upcoming events and brief report on activities of the Executive Officer since the last meeting.

- a. Written Update
- b. Verbal Update

14. **PUBLIC COMMENT**

This is the opportunity for members of the public to address the Commission on items 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.

15. **FUTURE MEETINGS**

March 10, 2021
April 14, 2021
May 12, 2021

16. **FUTURE AGENDA ITEMS**

Items not on the posted agenda which, if requested, will be referred to staff or placed on a future agenda for discussion and action by the Commission.

17. **ADJOURNMENT**

DRAFT

Commission
Jerry Gladbach
Chair

Donald Dear
1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

Kathryn Barger
Richard Close
Margaret Finlay
John Mirisch
David Ryu
Hilda Solis

Alternate Members
Lori Brogin-Falley
Sheila Kuehl
David Lesser
Judith Mitchell
Joseph Ruzicka
Vacant
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www.lafco.org

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES
LIVE VIRTUAL MEETING

January 13, 2021

Present:

Jerry Gladbach, Chair

Kathryn Barger
Richard Close
Donald Dear
Margaret Finlay
Gerard McCallum
John Mirisch
Holly Mitchell

Lori Brogin-Falley, Alternate
David Lesser, Alternate
Mel Matthews, Alternate

Paul Novak, Executive Officer
Tiffani Shin, Legal Counsel

Absent:

Janice Hahn, Alternate

Vacant:

City of Los Angeles, Member
City of Los Angeles, Alternate Member
City, Alternate Member

1 CALL MEETING TO ORDER

The meeting was called to order at 9:03 a.m. as a live virtual Commission meeting, with public comment accepted via email or phone through the conclusion of public testimony.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Gladbach.

CHAIR ANNOUNCEMENT(S)

Chair Gladbach welcomed Holly Mitchell (new Los Angeles County Supervisor representing the 2nd Supervisorial District) as a new LAFCO Commissioner (voting member).

Commissioner Mitchell thanked the Commission for the introduction and stated that she was looking forward to working with the Commission.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

The Executive Officer (EO) read an announcement, asking if any Commissioners had received a campaign contribution that would require disclosure or any other issue requiring recusal from any item on today's agenda (None).

ANNOUNCEMENT

The EO noted that today's meeting was conducted pursuant to the provisions of the Governor's Executive Orders No-25-20 and N-29-20, under the modified laws of the Ralph M. Brown Act for the COVID-19 emergency, as well as the County of Los Angeles "Safer at Home Order for Control of COVID-19." LAFCO's legal counsel reviewed the notifications and agenda and has confirmed that the conduct of the meeting is consistent with State law as modified by the Governor and County orders.

The EO noted that all public hearing notices, and the agenda, clearly stated that interested persons were afforded the opportunity to submit written opposition or comments by email, or via United States mail. For any communications received after the agenda was posted, staff has forwarded copies via e-mail to the Commission (None). LAFCO staff continued to monitor e-mail and comments received during the meeting and prior to the conclusion of each hearing item were read to the Commission (None).

4 SWEARING-IN OF SPEAKER(S) AND PUBLIC TESTIMONY/COMMENT

The EO swore in two (2) members of the audience who planned to testify.

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

None.

6 CONSENT ITEM(S)

The Commission took the following actions under Consent Items:

- a. Approved Minutes of November 18, 2020.
- b. Approved Operating Account Check Register for the month of November 2020.
- c. Received and filed update on Pending Proposals.

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

7 PUBLIC HEARING(S)

The following item was called up for consideration:

- a. Reorganization No. 2017-10 to the Las Virgenes Municipal Water District.

The EO indicated that the Commission was forwarded two (2) e-mails: the first e-mail, dated January 12, 2021, was from the Las Virgenes Homeowners Federation, Inc and; the second e-mail, dated January 13, 2021, was from the Monte Nido Valley Community Association. Both homeowners' associations (HOAs) requested that the Commission continue this item for further public review.

The EO summarized the staff report concerning this item.

Robert Douglas, landowner of the affected territory, requested that the Commission consider and approve this item.

Lee Reninger, representative of the Las Virgenes Homeowners Federation, Inc, indicated that the HOA is concerned about the proposed reorganization and requests that the Commission continue the item to its next meeting.

The Commission took the following action:

- Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Reorganization No. 2017-10 to the Las Virgenes Municipal Water District; (Amendments to the Las Virgenes Municipal

Water District, the Los Angeles County Waterworks District No. 29, Malibu, and the West Basin Municipal Water District SOIs; Detachment from the Los Angeles County Waterworks District No. 29, Malibu and the West Basin Municipal Water District; and Annexation to the Las Virgenes Municipal Water District);
Resolution No. 2021-01RMD.

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

8 PROTEST HEARING(S)

None.

9 OTHER ITEMS

The following item was called up for consideration:

- a. Commission Meeting Schedule for Calendar Year 2021.

The EO summarized the staff report on this item.

The Commission took the following actions:

- Adopted a Commission Meeting Schedule for Calendar Year 2021; and
- Directed staff to post the adopted Commission Meeting Schedule for Calendar Year 2021 to the LAFCO website.

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

9 OTHER ITEMS

The following item was called up for consideration:

- b. Proposed Memorandum of Understanding with Kern LAFCO.

The EO indicated that he received a request from Executive Officer, Blair Knox (Kern LAFCO),

to continue this item to a future meeting.

At the direction of Chair Gladbach, this item was referred back to staff.

9 OTHER ITEMS

The following item was called up for consideration:

- c. Recommendation to Award Contract for Audit Services to DavisFarr LLP.

The EO summarized the staff report concerning this item.

The Commission took the following actions:

- Awarded a contract to DavisFarr LLP to provide auditing services, as described in the proposal, and as recommended by the Evaluation Committee; and
- Authorized the Executive Officer to execute the professional services agreement with DavisFarr LLP, with said agreement being approved as to form by LAFCO Counsel.

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

10 LEGISLATION

None.

11 MISCELLANEOUS CORRESPONDENCE

None.

12 COMMISSIONERS' REPORT

Chair Gladbach indicated that a Performance Evaluation Survey will be e-mailed to all Commissioners regarding the Executive Officer's work performance. The results will be shared to the Commission, during Closed Session, at February's meeting.

13 EXECUTIVE OFFICER'S REPORT

The EO summarized the staff report on this item.

The EO indicated that Larry Calemene (former LAFCO Commissioner and Executive Officer) sent his regards to the Commission.

The EO indicated that the City Selection Committee will meet on January 25th to select a new city alternate LAFCO member to fill the vacancy expiring in 2023 (due to Judy Mitchell's retirement).

The Commission took the following action:

- Received and filed the Executive Officer Report and Verbal Report.

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

14 FUTURE MEETINGS

February 10, 2021

March 10, 2021

April 14, 2021

15 FUTURE AGENDA ITEMS

None.

16 ADJOURNMENT MOTION

At the suggestion of Chair Gladbach, and in memory of Tom LaBonge (former City of Los Angeles Council Member and LAFCO Commissioner) and Tommy Lasorda (former baseball pitcher and Los Angeles Dodgers Manager), as motioned by Commissioner Mirisch and seconded by Barger, the live virtual meeting was adjourned at 9:33 a.m.

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(continued to page 7)

CHAIR ANNOUNCEMENT

The Chair indicated that a Special Meeting would follow today's regular meeting.

Respectfully submitted,

Paul Novak, AICP
Executive Officer

DRAFT

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1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

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www.lafco.org

SPECIAL MEETING

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES LIVE VIRTUAL MEETING

January 13, 2021

Present:

Jerry Gladbach, Chair

Kathryn Barger
Richard Close
Donald Dear
Margaret Finlay
Gerard McCallum
John Mirisch
Holly Mitchell

Lori Brogin-Falley, Alternate
David Lesser, Alternate
Mel Matthews, Alternate

Paul Novak, Executive Officer
Tiffani Shin, Legal Counsel

Absent:

Janice Hahn, Alternate

Vacant:

City of Los Angeles, Member
City of Los Angeles, Alternate Member
City, Alternate Member

S-1 CALL MEETING TO ORDER

The special meeting (after the Commission's regular meeting was adjourned) was called to order at 9:33 a.m. as a live virtual Commission special meeting, with public comment accepted via email or phone through the conclusion of public testimony.

S-2 OUTSIDE EMPLOYMENT REQUEST OF EXECUTIVE OFFICER

The EO summarized the staff report on this item.

The Commission took the following action:

- Authorized the Executive Officer to accept outside employment by serving on the Board for Professional Engineers, Land Surveyors, and Geologists, subject to all requirements and limitations set forth in the Employment Agreement between the Commission and the Executive Officer.

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

S-3 ADJOURNMENT MOTION

On motion by Commissioner Dear, seconded by Commissioner Barger, the live virtual special meeting was adjourned at 9:37 a.m.

Respectfully submitted,

Paul Novak, AICP
Executive Officer

1:54 PM

02/02/21

Cash Basis

LA LAFCO

Register Report

December 2020

Type	Date	Num	Name	Paid Amount	Balance
Dec 20					
Bill Pmt -Check	12/03/2020	10818	ATT	-306.79	-306.79
Bill Pmt -Check	12/03/2020	10819	Bank of America*	-156.33	-463.12
Bill Pmt -Check	12/03/2020	10820	County Counsel	-10,336.21	-10,799.33
Bill Pmt -Check	12/03/2020	10821	Eide Bailly	-46.25	-10,845.58
Bill Pmt -Check	12/03/2020	10822	FedEx	-61.58	-10,907.16
Bill Pmt -Check	12/03/2020	10823	LACERA	-15,235.76	-26,142.92
Bill Pmt -Check	12/03/2020	10824	Lagerlof, LLP	-872.35	-27,015.27
Bill Pmt -Check	12/03/2020	10825	Motor Parks	-630.00	-27,645.27
Bill Pmt -Check	12/03/2020	10826	Promac Image Syst...	-17.39	-27,662.66
Bill Pmt -Check	12/03/2020	10827	The Lincoln National	-565.40	-28,228.06
Bill Pmt -Check	12/03/2020	10828	Tropical Interior Plants	-125.00	-28,353.06
Bill Pmt -Check	12/03/2020	10829	Wells Fargo	-385.89	-28,738.95
Check	12/04/2020	WIRE	TRPF 80 South Lak...	-9,518.72	-38,257.67
Check	12/04/2020	ADP	ADP	-166.80	-38,424.47
Check	12/11/2020	DD	Wells Fargo	-11.64	-38,436.11
Bill Pmt -Check	12/14/2020	10830	Certified Records M...	-687.05	-39,123.16
Bill Pmt -Check	12/14/2020	10831	Charter Communica...	-554.73	-39,677.89
Bill Pmt -Check	12/14/2020	10832	CoreLogic	-28.80	-39,706.69
Bill Pmt -Check	12/14/2020	10833	County of Los Angel...	-44,163.06	-83,869.75
Bill Pmt -Check	12/14/2020	10834	CTS Clouds LLC	-550.00	-84,419.75
Bill Pmt -Check	12/14/2020	10835	Delta Dental*	-3,143.52	-87,563.27
Bill Pmt -Check	12/14/2020	10836	Deltacare	-150.54	-87,713.81
Bill Pmt -Check	12/14/2020	10837	Kaiser*	-17,236.20	-104,950.01
Bill Pmt -Check	12/14/2020	10838	LACERA-OPEB	-1,600.23	-106,550.24
Bill Pmt -Check	12/14/2020	10839	MetLife*	-693.00	-107,243.24
Bill Pmt -Check	12/14/2020	10840	RSG, Inc.	-4,202.50	-111,445.74
Bill Pmt -Check	12/14/2020	10841	Yvonne Green CPA	-112.50	-111,558.24
Check	12/15/2020	DD	Ambar De La Torre	-2,128.32	-113,686.56
Check	12/15/2020	DD	Douglass S Dorado	-3,123.36	-116,809.92
Check	12/15/2020	DD	Adriana L Flores	-1,281.97	-118,091.89
Check	12/15/2020	DD	Michael E Henderson	-2,382.56	-120,474.45
Check	12/15/2020	DD	Paul A Novak	-6,076.84	-126,551.29
Check	12/15/2020	DD	Alisha O'Brien	-2,450.78	-129,002.07
Check	12/15/2020	DD	State Income Tax	-992.43	-129,994.50
Check	12/15/2020	DD	Federal Tax Deposit	-3,425.73	-133,420.23
Check	12/18/2020	ADP	ADP	-138.87	-133,559.10
Check	12/30/2020	DD	Ambar De La Torre	-2,128.32	-135,687.42
Check	12/30/2020	DD	Douglass S Dorado	-3,123.36	-138,810.78
Check	12/30/2020	DD	Adriana L Flores	-1,404.33	-140,215.11
Check	12/30/2020	DD	Michael E Henderson	-2,382.55	-142,597.66
Check	12/30/2020	DD	Paul A Novak	-5,855.60	-148,453.26
Check	12/30/2020	DD	Alisha O'Brien	-2,450.79	-150,904.05
Check	12/30/2020	DD	Federal Tax Deposit	-3,492.52	-154,396.57
Check	12/30/2020	DD	State Income Tax	-1,001.12	-155,397.69
Dec 20				-155,397.69	-155,397.69

2:44 PM

02/02/21

Cash Basis

LA LAFCO

Register Report

January 2021

Type	Date	Num	Name	Paid Amount	Balance
Jan 21					
Check	01/01/2021	ADP	ADP	0.00	0.00
Bill Pmt -Check	01/01/2021	10842	ATT	-227.10	-227.10
Bill Pmt -Check	01/01/2021		Bank of America*	0.00	-227.10
Bill Pmt -Check	01/01/2021		Certified Records M...	0.00	-227.10
Bill Pmt -Check	01/01/2021	61358...	County Counsel	0.00	-227.10
Bill Pmt -Check	01/01/2021		CTS Clouds LLC	0.00	-227.10
Bill Pmt -Check	01/01/2021		Daily Journal	0.00	-227.10
Bill Pmt -Check	01/01/2021		Eide Bailly	0.00	-227.10
Bill Pmt -Check	01/01/2021		FedEx	0.00	-227.10
Bill Pmt -Check	01/01/2021		Motor Parks	0.00	-227.10
Bill Pmt -Check	01/01/2021		Promac Image Syst...	0.00	-227.10
Bill Pmt -Check	01/01/2021		Quadiant Leasing U...	0.00	-227.10
Bill Pmt -Check	01/01/2021		Staples	0.00	-227.10
Bill Pmt -Check	01/01/2021		The Lincoln National	0.00	-227.10
Bill Pmt -Check	01/01/2021		Tropical Interior Plants	0.00	-227.10
Bill Pmt -Check	01/01/2021		Wells Fargo	0.00	-227.10
Check	01/04/2021	ADP	ADP	-138.87	-365.97
Check	01/04/2021	ADP	ADP	-39.37	-405.34
Check	01/05/2021	WIRE	TRPF 80 South Lak...	-9,518.72	-9,924.06
Bill Pmt -Check	01/05/2021	10843	Bank of America*	-106.93	-10,030.99
Bill Pmt -Check	01/05/2021	10844	Certified Records M...	-777.22	-10,808.21
Bill Pmt -Check	01/05/2021	10845	County Counsel	-6,467.60	-17,275.81
Bill Pmt -Check	01/05/2021	10846	CTS Clouds LLC	-87.50	-17,363.31
Bill Pmt -Check	01/05/2021	10847	Daily Journal	-246.50	-17,609.81
Bill Pmt -Check	01/05/2021	10848	Eide Bailly	-250.00	-17,859.81
Bill Pmt -Check	01/05/2021	10849	FedEx	-126.86	-17,986.67
Bill Pmt -Check	01/05/2021	10850	Motor Parks	-630.00	-18,616.67
Bill Pmt -Check	01/05/2021	10851	Promac Image Syst...	-7.39	-18,624.06
Bill Pmt -Check	01/05/2021	10852	Quadiant Leasing U...	-382.28	-19,006.34
Bill Pmt -Check	01/05/2021	10853	Staples	-458.26	-19,464.60
Bill Pmt -Check	01/05/2021	10854	The Lincoln National	-565.40	-20,030.00
Bill Pmt -Check	01/05/2021	10855	Tropical Interior Plants	-125.00	-20,155.00
Bill Pmt -Check	01/05/2021	10856	Wells Fargo	-385.89	-20,540.89
Bill Pmt -Check	01/05/2021	10857	LACERA	-15,189.51	-35,730.40
Bill Pmt -Check	01/05/2021		Printing and Copy St...	0.00	-35,730.40
Bill Pmt -Check	01/05/2021	10858	Printing and Copy St...	-318.62	-36,049.02
Check	01/11/2021	DD	Wells Fargo	-3.61	-36,052.63
Check	01/15/2021	DD	Ambar De La Torre	-2,131.02	-38,183.65
Check	01/15/2021	DD	Douglass S Dorado	-3,129.49	-41,313.14
Check	01/15/2021	DD	Michael E Henderson	-2,385.04	-43,698.18
Check	01/15/2021	DD	Adriana L Flores	-1,159.71	-44,857.89
Check	01/15/2021	DD	Paul A Novak	-5,888.07	-50,745.96
Check	01/15/2021	DD	Alisha O'Brien	-2,456.36	-53,202.32
Check	01/15/2021	DD	Adriana Romo	-3,788.71	-56,991.03
Check	01/15/2021	DD	Federal Tax Deposit	-3,873.87	-60,864.90
Check	01/15/2021	DD	State Income Tax	-1,116.82	-61,981.72
Bill Pmt -Check	01/21/2021	10859	ATT	-230.89	-62,212.61
Bill Pmt -Check	01/21/2021	10860	Charter Communica...	-555.45	-62,768.06
Bill Pmt -Check	01/21/2021	10861	CoreLogic	-28.80	-62,796.86
Bill Pmt -Check	01/21/2021	10862	County Counsel	-3,760.26	-66,557.12
Bill Pmt -Check	01/21/2021	10863	FedEx	-101.10	-66,658.22
Bill Pmt -Check	01/21/2021	10864	LACERA-OPEB	-1,600.23	-68,258.45
Bill Pmt -Check	01/21/2021	10865	The Lincoln National	-282.70	-68,541.15
Bill Pmt -Check	01/21/2021	10866	Tropical Interior Plants	-125.00	-68,666.15
Bill Pmt -Check	01/21/2021	10867	Yvonne Green CPA	-300.00	-68,966.15
Bill Pmt -Check	01/21/2021	10868	CTS Clouds LLC	-637.50	-69,603.65
Check	01/22/2021	ADP	ADP	-141.66	-69,745.31
Check	01/27/2021	ADP	ADP	-180.95	-69,926.26
Check	01/29/2021	DD	Ambar De La Torre	-2,131.02	-72,057.28
Check	01/29/2021	DD	Douglass S Dorado	-3,129.49	-75,186.77
Check	01/29/2021	DD	Adriana L Flores	-1,159.71	-76,346.48
Check	01/29/2021	DD	Michael E Henderson	-2,385.05	-78,731.53
Check	01/29/2021	DD	Paul A Novak	-5,888.07	-84,619.60
Check	01/29/2021	DD	Alisha O'Brien	-2,482.79	-87,102.39
Check	01/29/2021	DD	Adriana Romo	-3,891.75	-90,994.14
Check	01/29/2021	DD	State Income Tax	-1,128.13	-92,122.27
Check	01/29/2021	DD	Federal Tax Deposit	-3,853.08	-95,975.35

2:44 PM
02/02/21
Cash Basis

LA LAFCO
Register Report
January 2021

Type	Date	Num	Name	Paid Amount	Balance
Check	01/29/2021	61551...	Kathryn Barger	-132.99	-96,108.34
Check	01/29/2021	61551...	Brogin-Falley Lori	-138.52	-96,246.86
Check	01/29/2021	DD	Richard Close	-138.52	-96,385.38
Check	01/29/2021	DD	Donald Dear	-138.52	-96,523.90
Check	01/29/2021	61551...	Margaret E Finlay	-138.52	-96,662.42
Check	01/29/2021	61551...	Edward G Gladbach	-138.52	-96,800.94
Check	01/29/2021	DD	David J Lesser	-138.52	-96,939.46
Check	01/29/2021	DD	Gerard McCallum II	-138.52	-97,077.98
Check	01/29/2021	DD	John A Mirisch	-138.52	-97,216.50
Check	01/29/2021	DD	Melvin L Mathews	-415.57	-97,632.07
Check	01/29/2021	DD	Holly J Mitchell	-124.86	-97,756.93
Check	01/29/2021	DD	Federal Tax Deposit	-279.86	-98,036.79
Check	01/29/2021	ADP	ADP	-39.37	-98,076.16
Jan 21				-98,076.16	-98,076.16

AGENDA ITEM NO. 6.c. February 10, 2021						
PENDING PROPOSALS As of December 8, 2020						
		LAFCO Designation	Applicant	Description	Status	Est. Date of Completion
1	DD	Annexation 2006-12 to Los Angeles County Waterworks District No. 40	Land Resource Investors	Annex 20 acres of vacant land located at the northeast corner of Avenue J and 37th Street East, City of Lancaster. Will be developed into 80 single family homes.	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	Unknown
2	DD	Annexation No. 2006-46 to Los Angeles County Waterworks District No. 40	New Anaverde, LLC	Annex 1,567 acres of vacant land located near Lake Elizabeth Road and Avenue S in the city of Palmdale. Will be developed into 313 single family home.	Incomplete filing: CEQA, registered voter labels, landowner labels, and approved map and legal.	Unknown
3	DD	Annexation No. 2011-17 (2006-50) to Los Angeles County Waterworks District No. 40	Behrooz Haverim/Kamyar Lashgari	Annex 20.62 acres of vacant land located south of Avenue H between 42nd Street West and 45th Street West in the City of Lancaster. To be developed into single family homes	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	Unknown
4	DD	Annexation 2008-13 to Los Angeles County Waterworks District No. 40	Lancaster School Dist.	Annex 20.47 acres of vacant land located 2 miles west of the Antelope Valley fw. And the nearest paved major streets are ave. H. And Ave. I, in the City of Lancaster. For future construction of a school.	Need BOE fees to place on agenda for approval. Emailed district for fees on 4-18-17.	Unknown
5	DD	Reorganization 2010-04 Los Angeles County Waterworks District No. 29	Malitex Partners, LLC	Detach 88 acres of vacant land from the Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No 29 and West Basin Municipal Water District. The project includes future construction of three homes and dedicates open space. The project site is located north of Pacific Coast Highway at the end of Murphy Way, in the unincorporated area adjacent to Malibu.	Notice of Filing sent 07-15-10. Incomplete filing: CEQA. EIR on hold 4-14-15. Applicant requested to keep this file open, pending details how to proceed with the project 04/29/15.	Unknown
6	DD	City of Palmdale Annexation 2010-05	City of Palmdale	49.6 acres located adjacent to residential properties to the southwest, southeast, and separated by the Amargosa Creek to the north.	Notice of Filing sent 1-3-11. Incomplete filing: property tax transfer resolution, insufficient CEQA, unclear pre-zoning ordinance, approved map and legal. Need to include DUC.	Unknown
7	DD	Reorganization 2011-16 (Tesoro del Valle)	Montalvo Properties LLC	Annexation to NCWD and CLWA SOI Amendments for both districts. 801.53 acres regional access is provided via Interstate 5 (1-5) for north/south travelers from the east, and State Route 126 (SR-126) for travelers from the west. The existing local thoroughfare that provides access to the proposed area is Copper Hill Drive, which can be accessed directly from Tesoro del Valle Drive or Avenida Rancho Tesoro.	Notice of Filing sent 05-31-11. Incomplete filing: property tax transfer resolution. Project has changed ownership. Need new application	Unknown
8	DD	City of Los Angeles Annexation 2011-27	Forestar Group	685 acres of uninhabited territory located east of Browns Canyon Road and northwest of Mason Ave. in the unincorporated area just north of the City of Los Angeles.	Notice of Filing sent 2-15-12. Incomplete filing: property tax transfer resolution, CEQA, pre-zoning ordinance, map of limiting addresses, list of limiting addresses, and approved map and legal.	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
9	DD	City of Palmdale Annexation 2011-19	City of Palmdale	405 acres of uninhabited territory located between Palmdale Blvd and Ave S and 80th and 85th Street East.	Notice of Filing sent 3-22-12 Incomplete filing: property tax transfer resolution, inadequate CEQA, maps of limiting addresses, list of limiting addresses, and approved map and legal. DUC adjacent	3/8/2012	Unknown
10	DD	Reorganization No. 2014-03 to the City of Calabasas	City of Calabasas	176± acres immediately north of and adjacent to the 101 freeway between the City of Calabasas and Hidden Hills.	Notice of Filing sent 1-8-15, Incomplete filing: property tax transfer resolution and approved map and legal.	12/10/2014	Unknown
11	DD	Annexation No. 2015-11 to the City of Palmdale (Desert View Highlands)	City of Palmdale	284 acres inhabited territory. Generally located north and south of Elizabeth Lake Road between Amargosa Creek and 10th street west, in Los Angeles County unincorporated territory surrounded by the City of Palmdale	Notice of Filing sent 9-22-15 Incomplete filing: property tax resolution, attachment 'A' plan for municipal services, CEQA (NOD), party disclosure, pre-zoning, map of limiting addresses, registered voter info	9/15/2015	Unknown
12	DD	Annexation No. 2015-10 to the City of Agoura Hills	City of Agoura Hills	117 acres uninhabited territory. Located northeast and southwest of Chesebro Road directly north of the Highway 101	Notice of Filing sent 11-3-15 Incomplete filing: property tax transfer resolution.	11/2/2015	Unknown
13	DD	Reorganization No. 2016-01 to the Las Virgenes Municipal Water District	Las Virgenes Municipal Water District	Detachment from West Basin Municipal Water District, and annexation to the Las Virgenes Municipal Water District. Both districts require SOI amendments. The territory consists of 26 single-family homes, generally located south of Cairnloch Street, west of Summit Mountain Way, all within the City of Calabasas.	Notice of Filing sent 04-19-16 Incomplete filing: property tax transfer resolution, and map and legal not approved.	2/22/2016	Unknown
14	AD	Annexation No. 2017-02 to the Newhall County Water District	Newhall County Water District	uninhabited territory, located west of the 5 freeway and north of the intersection of The Old Road and Calgrove Blvd.	Notice of Filing sent 06-21-17 Incomplete filing: property tax transfer resolution, CEQA, approved map and legal.	6/15/2017	Unknown
15	DD	Annexation No. 2017-09 to the Wilmington Cemetery District	Wilmington Cemetery District	inhabited territory around Wilmington	Notice of Filing sent 6-10-17 Incomplete filing: property tax transfer resolution	7/10/2017	Unknown
16	DD	Reorganization No. 2017-10 to the Las Virgenes Municipal Water District	Robert Douglass	5.26 acres of uninhabited territory. The affected territory is generally located northeast of the intersection of Hovenweep Lane and Schuereen Road, in the unincorporated area north of Malibu	Agenda 1-13-21	11/8/2017	Feb-2021
17	DD	Annexation No. 2018-06 to the San Gabriel Valley Mosquito and Vector Control District	San Gabriel Valley Mosquito and Vector Control District	77.55± acres of inhabited territory. The affected territory is located north of the intersection of Mountain Laurel Way and Highway Court in the City of Azusa.	Notice of Filing Sent 11-1-18 Incomplete filing: property tax transfer resolution, missing map and legal, owners and registered voter labels	10/22/2018	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
18	DD	Annexation No. 2018-12 to the City of Agoura Hills	City of Agoura Hills	82.58± acres of inhabited territory to the City of Agoura Hills. Area A of the affected territory is generally located east of the intersection of Liberty Canyon Road and Agoura Road and Area C is generally located west of the intersection of Liberty Canyon Road and Revere Way, in Los Angeles County unincorporated territory adjacent to the City of Agoura Hills	Notice of Filing sent 11-20-18 Incomplete filing: property tax transfer resolution, CEQA, map of limiting addresses, pre-zoning, register voter labels, approved map and geographic description.	11/19/2018	Unknown
19	AD	Annexation 429 to District No. 14	Sanitation Districts	640.07± acres of uninhabited territory. The affected territory is located on the southeast corner of Sierra Highway and Columbia Way, all within the City of Palmdale.	Notice of Filing Sent 11-29-18 Incomplete filing: property tax transfer resolution.	11/28/2018	Unknown
20	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1097	Sanitation Districts	230± acres of uninhabited territory. The affected territory is located south of Pico Canyon Road at the westerly terminus of Verandah Court, all within the unincorporated area of Los Angeles County.	Recorded COC. e-mail distribution pending	12/26/2018	Sep-2020
21	AD	Annexation 430 to District No. 14	Sanitation Districts	227.677± acres of uninhabited territory. The affected territory is located north of Avenue D, south of Avenue B, east of the Southern Pacific Railroad, and west of Edwards Air Force Base, all within the unincorporated area of Los Angeles County.	Recorded COC. e-mail distribution pending	2/12/2019	Sep-2020
22	DD	Reorganization No. 2019-01 to the City of Rancho Palos Verdes	Rajendra Makan	1.17± acres of uninhabited territory located along Re Le Chardlene, east of the intersection of Chandeaur and Rue Le Charlene, in the City of Los Angeles.	Notice of Filing Sent 5-14-19 Incomplete filing: property tax transfer resolution and approved map and legal.	5/14/2019	Unknown
23	DD	Annexation No 2019-07 to the Greater Los Angeles County Vector Control District (Entire City of Vernon)	City of Vernon	3,301± acres of inhabited territory, entire City of Vernon	Notice of Filing Sent 8-28-19 Incomplete filing: property tax transfer resolution, approved map and legal.	7/23/2019	Unknown
24	DD	Annexation No. 2019-03 to the Santa Clarita Valley Water Agency	Santa Clarita Valley Water Agency	324± acres of uninhabited territory. The affected territory is generally located east and west of San Francisco Canyon Road approximately one mile north of the City of Santa Clarita, in Los Angeles County unincorporated territory near the City of Santa Clarita.	Notice of Filing Sent 10-23-19 Incomplete filing: property tax resolution, LAFCO fees, consent letter, CEQA, and approved map and legal	10/17/2019	Unknown
25	DD	Formation No. 2019-06 of the Lower Los Angeles River Recreation and Park District	City of South Gate	inhabited territory, along the Los Angeles River between Vernon and Long Beach	TTR/Auditors determination and approved map and geographic description.	10/2/2019	Unknown
26	AOB	Annexation No. 2019-08 to the Santa Clarita Valley Water Agency	Santa Clarita Valley Water Agency	349± acres of inhabited territory. The affected territory is generally located southwest of the intersection of Old Rock Road and Valencia Boulevard, in Los Angeles County unincorporated territory near the City of Santa Clarita.	Notice of Filing Sent 1-15-2020 Incomplete filing: property tax resolution, approved map and legal	12/30/2019	Unknown
27	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1092	Sanitation Districts	3.77± acres of uninhabited territory. The affected territory is located on the south side of Soledad Canyon Road at Mammoth Lane, all within the City of Santa Clarita.	Notice of Filing Sent 01-30-20 Incomplete filing: property tax transfer resolution.	1/28/2020	Unknown
28	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1096	Sanitation Districts	5.11± acres of uninhabited territory. The affected territory is located on Sand Canyon Road approximately 400 feet south of Comet Way, all within the City of Santa Clarita.	Notice of Filing Sent 01-30-20 Incomplete filing: property tax transfer resolution.	1/28/2020	Unknown
29	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1101	Sanitation Districts	2.5± acres of uninhabited territory. The affected territory is located on Arroyo Oak Lane approximately 300 feet south of Hasley Canyon, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 01-30-20 Incomplete filing: property tax transfer resolution.	1/28/2020	Unknown
30	AD	Annexation 434 to District no. 22	Sanitation Districts	1.21± acres of uninhabited territory. The affected territory is located on Dancove Drive approximately 100 feet notheast of the terminus of Greenville Drive, all within the City of West Covina.	Notice of Filing Sent 02-4-20 Incomplete filing: property tax transfer resolution.	2/4/2020	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
31	DD	Reorganization No. 2020-01 to the City of Santa Clarita (Tesoro del Valle)	City of Santa Clarita	1609± acres of uninhabited territory. The affected territory is generally located north of the intersection of Copper Hill Drive and Avenida Rancho Tesoro, in the Unincorporated area of Los Angeles County adjacent to the City of Santa Clarita.	Notice of Filing sent 02-18-20 Incomplete filing: property tax transfer resolution, approved map and legal. Reorg area within DUC.	1/27/2020	Unknown
32	AD	Annexation 436 to District no. 22	Sanitation Districts	6,356± acres of uninhabited territory. The affected territory is located on the north side of Mt. Olive Drive approximately 500 feet east of Woodlyn Lane, all within the City of Bradbury.	Notice of Filing Sent 03-12-20 Incomplete filing: property tax transfer resolution.	3/12/2020	Unknown
33	AD	Annexation 428 to District no. 14	Sanitation Districts	2,51± acres of uninhabited territory. The affected territory is located on the southwest corner of Avenue N and 10th Street West, all within the City of Palmdale.	Notice of Filing Sent 06-8-20 Incomplete filing: property tax transfer resolution.	5/28/2020	Unknown
34	AOB	Formation No. 2020-05 of the Inglewood Transportation Management Community Services District	City of Inglewood	5,804± acres (or 9.07± square miles) of inhabited territory, all within the City of Inglewood.	The Applicant requested (on 10-15-20) to postpone scheduling a hearing date on this proposal.	6/15/2020	Unknown
35	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1094	Sanitation Districts	79,084± acres of uninhabited territory. The affected territory is located north of Antelope Valley Freeway west of Oak Springs Canyon Road and east of Soledad Canyon Road, all within the City of Santa Clarita.	Notice of Filing Sent 07-16-20 Incomplete filing: property tax transfer resolution.	6/30/2020	Unknown
36	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1095	Sanitation Districts	26,882± acres of uninhabited territory. The affected territory is located northwest of Sierra Highway, extending north of Dockweiler Drive, east of Oakleaf Canyon Drive, west of Antelope Freeway, all within the City of Santa Clarita.	Notice of Filing Sent 07-16-20 Incomplete filing: property tax transfer resolution.	6/30/2020	Unknown
37	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1099	Sanitation Districts	2,077± acres of uninhabited territory. The affected territory is located on the west side of Sand Canyon Road south of Comet Way, all within the City of Santa Clarita.	Notice of Filing Sent 07-16-20 Incomplete filing: property tax transfer resolution.	6/30/2020	Unknown
38	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1100	Sanitation Districts	1,823± acres of uninhabited territory. The affected territory is located on Soledad Canyon Road approximately 400 feet north of Sandy Drive, all within the City of Santa Clarita.	Notice of Filing Sent 07-16-20 Incomplete filing: property tax transfer resolution.	6/30/2020	Unknown
39	AD	Annexation 300 to District no. 15	Sanitation Districts	9,573± acres of uninhabited territory. The affected territory is located on Palm Hill Lane approximately 500 feet north of Deodar Lane, all within the City of Bradbury.	Notice of Filing Sent 10-05-20 Incomplete filing: property tax transfer resolution.	10/5/2020	Unknown
40	AD	Annexation 301 to District no. 15	Sanitation Districts	0.31 acres of uninhabited territory. The affected territory is located on Shrode Avenue approximately 550 feet east of California Avenue, all within the Unincorporated area of Los Angeles County.	Notice of Filing Sent 10-05-20 Incomplete filing: property tax transfer resolution.	10/5/2020	Unknown
41	AD	Annexation 437 to District no. 22	Sanitation Districts	0.31 acres of uninhabited territory. The affected territory is located on Covina Hills Road approximately 300 feet north of Rancho Creek Road, all within the City of Covina.	Notice of Filing Sent 10-05-20 Incomplete filing: property tax transfer resolution.	10/5/2020	Unknown

Staff Report

February 10, 2021

Agenda Item No. 9.a.

FY 2020-21 Mid-Year Budget Status Report

Summary: In accordance with Government Code Section 56381, the Commission adopted a budget for FY 2020-21 on June 10, 2020, prior to the statutory requirement of June 15th. Consistent with prior years, staff herein presents a summary of budgetary revenues and expenses through the middle of the fiscal year, as well as projections for the end of the current fiscal year (FY 2020-21 ends on June 30, 2021).

This mid-year budget status report incorporates recent expenditure changes and provides an overview of the projected year-end position in comparison to the adopted budget. Staff anticipates that 2020-21 expenditures will be approximately 10% below the Commission adopted budget. This is largely due to projected year-end savings in several areas (conference and travel, consulting services for MSRs, accounting/bookkeeping fees, and property/liability insurance), as described in more detail below. Should projections bear out at year end (June 30, 2021), savings of approximately \$150,000 will become available for next year's budget (FY 2021-22), to be considered by the Commission in March and April of this year. This also takes into account a modest portion of revenues expected to be below target.

Provided herein is a brief narrative description of the budget categories identifying significant variations from the adopted budget, followed by a spreadsheet providing details on all expenditures and revenues.

Expenditures:

Salaries and Employee Benefits: *The Salaries and Employee Benefits are expected to be below the adopted budget by 4.1% as described in more detail below.*

Employee Salaries (50001): Cost savings were achieved due to employee's medical leave, paid by LAFCO's disability insurance carrier and cost of living increases being approximately one percent below budget.

Retirement (50015): As a LACERA participatory agency, LAFCO is subject to employer contribution rate increases. Although employer contribution rates were increased by approximately 1.5%, LAFCO was able to absorb the increase. Also included is an estimated administrative fee quoted by LACERA for managing existing retirees' health benefits.

OPEB—Existing Retiree (50022): This account reflects existing LAFCO retirees' post-employment benefits, which include the portion of benefits paid by LAFCO. This also includes survivor benefits, which were paid out for the first time in the current fiscal year.

Office Expenses: *Office Expenses are projected to be below budgeted levels by 18.6%.*

Rent (50025): The office lease allows for an annual 3% rent increase escalator. The lease also calls for LAFCO to pay its proportionate share of common area maintenance fees ("CAMs"). CAMs were slightly higher than budgeted, causing a slight increase in rent expenditures of less than a percent.

Property/Liability Insurance (50032): The Commission recently switched insurance carriers for property and liability insurance, resulting in nearly \$13,000 in savings.

Conferences/Travel—Commissioners (50057) and Conferences/Travel—Staff (50058): These accounts include budgeted expenses for attendance in CALAFCO Conferences, Workshops, and University Sessions, as well as mileage reimbursements. Due to the COVID-19 pandemic, the CALAFCO Conference and annual workshop have been postponed, and travel to meetings is no longer required. Most orders of business are being conducted virtually, resulting in significant cost savings in these accounts. Projected year-end expenses in these accounts are expected to be 96% below budget.

Miscellaneous—Other (50065): This account includes charges by the County of Los Angeles for the use of the Board room, County services such as County Assessor fees, monthly bank charges, and other miscellaneous charges. At mid-year, expenses in this account are minimal. Most expenses in this account are related to County Assessor parcel fees up to an amount of \$1,500 per change of organization or reorganization (this charge is reimbursed by the applicant), which have been minimal.

Computer-Copier-Misc. Equipment (50067): This account is used as a placeholder to replace computer equipment such as monitors, printers, and keyboards. These types of replacements seldom occur. This fiscal year, a few items were purchased to accommodate telecommuting.

Professional Services: *Professional Services are also expected to be below budget. This is largely due to the costs associated with the preparation of Municipal Service Reviews.*

Legal Services (50076): LAFCO utilizes County Counsel for legal services. The amount budgeted is consistent with the amount charged in prior years. The amount listed in the attached spreadsheet reflects counsel invoices paid through November of 2020. Due to cancellation of the December 2020 LAFCO meeting, and less controversial proposals being considered in the current fiscal year, year-end expenditures are expected to be slightly below budget by approximately 6%.

Payroll Service (50077.1): LAFCO uses an outside vendor for payroll services. Charges to this account are for inputting time, processing payroll and generating checks.

Municipal Service Reviews (50081): The amount included in the budget reflects the Commission's initiative to complete MSRs during the current fiscal year by contracting for outside consultant services. Since the budget's adoption, the Commission has completed its contract with three of the selected consulting firms and has not executed any additional contracts for the preparation of MSR/SOI Updates. The projected year-end amount includes the contract amount for the remaining MSR/SOI Updates contract.

Expenditure Summary:

In summary, it is anticipated that the total expenditures will be approximately 10% below budgeted expenditures of \$1,658,753, mostly related to cost savings in property/liability, conference, travel, municipal service reviews, consulting, and accounting/bookkeeping fees.

Revenues:

At mid-year, fee revenues are significantly lower than the budgeted amount by 80%. Although staff has been working with applicants for the filing of reorganization proposals, fee generating revenue is always an estimate and outside of LAFCO's control. Due to a decrease in interest earnings of over one percent, interest revenue is also below budget. At the close of the fiscal year, fee-based revenues and interest income are expected to be less than budgeted revenues by 31%. This decrease in filing fees, processing fees, interest income, and other revenues—all of which are unpredictable from year to year, are unlikely to have an appreciable impact on the FY 2020-21 budget by the end of the current fiscal year.

Local Agency Apportionment:

The Los Angeles County Auditor Controller has collected 100% of the FY 2020-21 local agency apportionment from local agencies in Los Angeles County (assessments collected from the County of Los Angeles, the cities of Los Angeles County, and the independent special districts of Los Angeles County).

Conclusion:

Given the foregoing, staff expects to propose a relatively similar budget for FY 2021-22, one which will see minimal changes compared to the current fiscal year adopted budget. Even with anticipated increases in some expenses (medical/dental insurance premiums, employer pension contributions, and rent), staff anticipates that the net fiscal year's assessments collected from the County of Los Angeles, the cities of Los Angeles County, and the independent special districts of Los Angeles County, will remain the same as the current fiscal year.

Staff continues to address LAFCO's long term Other Post-Employment Benefits (OPEB) obligations. To date, the Commission has deposited \$200,000 in the California Employers' Retiree Benefit Trust (CERBT) fund (the balance as of 12/31/20, due to earnings and interest, is now \$255,019). A consultant is preparing an actuarial valuation of LAFCO's current OPEB

Obligations, as required every three years by the Government Accounting Standards Board (GASB). Upon receipt of the valuation (expected by the end of February 2021), and consistent with prior communication with the Commission, staff will deposit an additional \$100,000 in the CERBT fund, bringing the total funding to \$355,019. (LAFCO is unable to make any contributions until the actuarial valuation is completed.) Depending on two factors—1) a determination of the final revenues for FY 2020-21, and 2) the Commission's adoption of the FY 2021-22 Budget, staff may recommend that the Commission make an additional deposit into the CERBT fund in the 2021-22 fiscal year.

Recommended Action:

1. Receive and file the Mid-Year Budget Status Report for FY 2020-2021.

FISCAL YEAR 2020-21 MID-YEAR BUDGET STATUS						
ACCT. #	ACCOUNT NAME	ADOPTED FINAL BUDGET 2020-21	MID YEAR BUDGET STATUS 2020-21	PROJECTED YEAR END (PYE) 2020-21	Mid Year % Variance From Adopted Budget	Final Budget PYE % Variance From FY 2020-21 Adopted
EXPENSES						
50000	Salaries and Employee Benefits					
50001	Employee Salaries	\$ 691,477	\$ 311,432	\$ 660,000	-55.0%	-4.6%
50015	Employer Paid Pension Contribution	131,832	64,380	130,000	-51.2%	-1.4%
50016	Accrued vacation and sick cashout	10,000	-	19,271	-100.0%	92.7%
50017	Commissioner Stipends	20,000	8,550	18,550	-57.3%	-7.3%
50018	Worker's Compensation Insurance	9,500	10,114	10,114	-100.0%	6.5%
50019	Insurance (Health, Disability, Life)	138,000	68,191	137,040	-50.6%	-0.7%
50020	Payroll Taxes	13,000	6,288	13,000	48.4%	0.0%
50022	OPEB - Existing Retirees	23,000	16,085	25,686	-30.1%	11.7%
50022.2	LACERA OPEB Administration Costs	\$ 20,000	\$ -	\$ -	-100.0%	-100.0%
Total Salaries & Employee Benefits		\$ 1,056,809	\$ 485,040	\$ 1,013,661	-54.1%	-4.1%
50000A	Office Expense					
50025	Rent	\$ 112,300	\$ 55,914	\$ 113,028	-50%	0.6%
50026	Communications	10,000	5,712	11,424	-43%	14.2%
50027	Supplies	7,400	2,582	6,000	-65%	-18.9%
50029	Computer Software	6,200	3,853	4,400	-38%	-29.0%
50030	Equipment lease	6,500	3,588	6,700	-45%	3.1%
50031	Employee & Guest Parking Fees	9,200	3,780	7,560	-59%	-17.8%
50032	Property/Liability Insurance	24,000	13,300	13,300	-45%	-44.6%
50033	Agency Membership Dues	13,844	12,003	12,003	-13%	-13.3%
50040	Information Technology/Programming	7,000	4,630	8,000	-34%	14.3%
50052	Legal Notices	4,000	364	900	-91%	-77.5%
50054	Postage	4,000	2,954	6,000	-26%	50.0%
50056	Printing/Copy Charges	4,400	895	1,800	-80%	-59.1%
50057	Conferences/Travel - Commissioners	13,000	134	500	-99%	-96.2%
50058	Conference/Travel - Staff	13,000	110	500	-99%	-96.2%
50060	Auto Reimbursement	7,000	3,354	7,000	-52%	0.0%
50061	Various Vendors	11,000	4,685	9,470	-57%	-13.9%
50065	Miscellaneous - Other	8,000	415	4,000	-95%	-50.0%
50067	Computer-Copier-Misc Equipment	2,000	983	1,500	-51%	-25.0%
Total Office Expenses		\$ 262,844	\$ 119,256	\$ 214,085	-55%	-18.6%
50000C	Professional Services					
50076	Legal services	80,000	34,086	75,182	-57%	-6.0%
50077	Accounting & Bookkeeping	20,000	6,903	13,806	-65%	-31.0%
50077.2	Audit/Financial Statements	8,500	5,500	8,500	-35%	0.0%
50077.1	Payroll Service	5,600	1,858	4,000	-67%	-28.6%
50078	Contract Services	12,000	1,170	2,500	-90%	-79.2%
50081	Municipal Service Reviews	113,000	46,806	62,015	-59%	-45.1%
Total Professional Services		\$ 239,100	\$ 96,323	\$ 166,003	-60%	-30.6%
TOTAL EXPENDITURES		\$ 1,558,753	\$ 700,619	\$ 1,393,749	-55%	-10.59%
20020	OPEB Liability - Reserves	\$ 100,000	\$ -	\$ 100,000	-100%	0%
Total Contingencies and Reserves Set Aside		\$ 100,000	\$ -	\$ 100,000	-100%	0%
Total Appropriations		\$ 1,658,753	\$ 700,619	\$ 1,493,749	-58%	-9.9%

FISCAL YEAR 2020-21 MID-YEAR BUDGET STATUS						
ACCT. #	ACCOUNT NAME	ADOPTED FINAL BUDGET 2020-21	MID YEAR BUDGET STATUS 2020-21	PROJECTED YEAR END (PYE) 2020-21	Mid Year % Variance From Adopted Budget	Final Budget PYE % Variance From FY 2020-21 Adopted
40000 REVENUES						
40005	Filing Fees	\$ 100,000	\$ 20,500	\$ 73,950	-80%	-26.1%
40006	Processing Fees	4,000	-	-	-100%	-100.0%
40007	Interest Income	15,000	4,583	6,416	-69%	-57.2%
40008	Other Income	500	1,669	1,669	234%	233.8%
Total Revenues		\$ 119,500	\$ 26,752	\$ 82,035	-78%	-31.4%
NET OPERATING COSTS		\$ 1,539,253	\$ 673,867	\$ 1,411,714	-56%	-8.3%
Local Agency Apportionment						
		FY 2020-21 Final Budget Estimates*				
40001	City of Los Angeles	236,812	236,812	236,812	100%	100%
40002	County of Los Angeles	592,021	592,021	592,021	100%	100%
40003	Other Cities (87)	355,210	355,210	355,210	100%	100%
40004	Special Districts	355,210	355,210	355,210	100%	100%
Total Local Agency Apportionment		\$ 1,539,253	\$ 1,539,253	\$ 1,539,253	100%	100%

*Estimates based on FY 2019-20 Billing. Invoices for FY 2020-21 are generated by the County Auditor Controller's Office.

Staff Report

February 10, 2021

Agenda Item No. 9.b.

Mid-Year Investment Report

Background: Commission funds are held in three accounts: an operating account, an operating reserve account in the County Treasury, and a separate government entity bank account used to pay the Commission's monthly operating expenses. The County Auditor-Controller collects the LAFCO apportionment, which is deposited into the Commission's operating account. Each month, funds are transferred from the operating account to the Commission's government entity bank account to pay the Commission's operating expenditures, consistent with Commission-approved appropriations.

Commission funds held in the County Treasury accrue interest. All interest earnings are included in the Commission's budget under Interest Income (40007). At this time staff would like to report the mid-year status of investment earnings.

In addition, in May of 2018, the Commission established a Other-Post-Employment-Benefits (OPEB) Trust fund in order to reduce its unfunded OPEB liability. LAFCO funds for its OPEB liability are held in the California Public Employees' Retirement System (CalPERS)—California Employers' Retirement Benefit Trust (CERBT) Fund. Funds held in CERBT also accrue interest.

Interest Earnings:

The average earning rate since the beginning of the fiscal year for those funds held in the County Treasury has been declining steadily. As of December 31, 2020, the earning rate was 0.54%, which is over a one percent decrease from December of 2019. Interest Income gained since the beginning of the fiscal year through the most recent Monthly Report of Investments is approximately \$4,583. Projected year end Interest Income is expected to be approximately 57% below the amount approved in the Commission's annual budget for FY 2020-21.

CERBT Interest earnings for the current fiscal year have accrued at a net return of 10.26%, as of December 31, 2020, which is unprecedented in comparison to last year's return rate of 3.34% (based on the FY 2019-20 Mid-Year Report on Investments). In the current fiscal year, net interest earnings have been \$28,784, as of the most recent quarterly information available.

Recommended Action:

Staff recommends that the Commission:

1. Receive and file the Mid-Year Investment Report.

Staff Report

February 10, 2021

Agenda Item No. 9.c.

Procurement and Reporting Policy Annual Report for 2020

On April 10, 2019, the Commission adopted a Professional Services Procurement and Reporting Policy (Policy), a copy of which is attached. Consistent with Section 4 of the Policy, staff hereby submits an annual report to the Commission, which documents contracts/agreements with outside contractors and vendors for Calendar Year 2020.

Recommended Action:

Staff recommends that the Commission:

1. Receive and file the Professional Services and Reporting Policy for 2020.

Attachments:

- Professional Services Procurement and Reporting Policy
- Procurement and Reporting Policy Annual Report for 2020

Procurement and Reporting Policy Annual Report for 2020
February 10, 2021

Provider	Service/Product	Status	Annual Cost	Comment(s)
Joint Powers Risk and Insurance Management Authority (JPRIMA)	Property/Liability Insurance	Policy is renewed annually	\$13,300	In 2020, staff solicited bids from JPRIMA and SDRMA. JPRIMA was the responsive bidder with the lower price, and JPRIMA represents a significant cost savings over any other available insurance provider. JPRIMA and SDRMA provide property/liability insurance to most LAFCOs; no other available insurance provider provides LAFCO with the same level of coverage for equivalent premiums.
Special District Risk Management Authority (SDRMA)	Workers Compensation Insurance	Policy is renewed annually	\$9,500	Commission-approved annual LAFCO budgets reflect anticipated premium increases. Workers Compensation premium is based upon total annual payroll. In 2020, staff solicited bids from JPRIMA and SDRMA. SDRMA was the responsive bidder with the lower price, and SDRMA represents a significant cost savings over any other available insurance provider. JPRIMA and SDRMA provide workers compensation insurance to most LAFCOs; no other available insurance provider provides LAFCO with the same level of coverage for equivalent premiums.
County of Los Angeles	Employee Medical and Dental Insurance	Memorandum of Understanding (MOU)	N/A (See Comments)	Commission approved the MOU with the County of Los Angeles on 10/11/2017; the MOU expires on 10/31/2027. Rates vary by employee/plan. Rates are reported annually, and approved by three Commission during the LAFCO budget process. No alternate vendor offers LAFCO the same level of coverage for equivalent premiums.
Los Angeles County Employee Retirement Association (LACERA)	Employee/Retiree Pension	Memorandum of Understanding (MOU)	N/A (See Comments)	Commission approved the MOU with LACERA on 11/15/2017; the MOU has no expiration date. Employees were enrolled in LACERA at the time of LAFCO's separation from the County of Los Angeles in 2001. Employer and employee contributions vary by employee. No alternate vendor provides LAFCO with comparable pensions for equivalent employer and employee contributions.
Los Angeles County Employee Retirement Association (LACERA)	Retiree Medical/Dental Insurance Benefits Administration	Memorandum of Understanding (MOU)	N/A (See Comments)	LAFCO executed an MOU and provided same to LACERA on 11/15/2017; MOU has no expiration date. LACERA has not yet invoiced LAFCO for services provided.
Teachers Insurance & Annuity Association of America	Office Lease	Lease	\$112,300	Commission approved a 10-year lease on August 11, 2011, the lease expires on 11/30/2021. The approved lease includes annual scheduled rent increases. Annual cost does not correspond to fiscal year, and it does not include Common Area Maintenance (CAM) charges of approximately \$5,000-\$10,000 per year. The Ad Hoc Lease Extension Committee and staff are exploring lease extension issues, and will report back to the Commission in mid-2021.
GE Capital Information Technologies Solutions, LLC	Konica/Minolta Photocopier	Lease	\$4,600	Staff solicited and received bids from three potential providers in March of 2016, and staff selected the best option based upon a combination of cost and copier features.
Neopost	Postage Meter	Lease	\$1,521	Executive Officer executed a lease on 9/26/2016; the lease expires in January, 2022.
AT&T	Cell Phones	Agreement	\$3,600	The current agreements are set to expire in early 2021. LAFCO has used AT&T for wireless phones for more than a decade. AT&T provides good coverage, and its rates are comparable to other providers. There is no significant anticipated cost savings with an alternate provider.
Tropical Interior Plants	Plant Maintenance Services	No contract	\$1,200	LAFCO has used Tropical Interior Plants for more than a decade, and staff is comfortable with the quality and service provided. There is no significant anticipated cost savings with an alternate provider.
County Counsel	Legal services	No contract	\$80,000	LAFCO has used County Counsel for legal services for decades. Although FY 2018-2019 is an anomaly, the historical annual billing is reasonably consistent with legal costs incurred by similar LAFCOs (including Orange and Riverside LAFCOs). Costs are reported annually, and approved by the Commission during the LAFCO budget process. There is no significant anticipated cost savings with an alternate provider.
Special District Risk Management Authority (SDRMA)	Computer Maintenance	No contract	\$6,600	LAFCO has used CTS for computer consulting for more than a decade. Staff is comfortable with the quality and service provided by CTS. Annual billing is reasonably consistent with legal costs incurred by similar LAFCOs (Orange and Riverside). There is no significant anticipated cost savings with an alternate provider.

LA LAFCO Professional Services Agreements Summary Annual Report for 2020 (continued)

February 10, 2021

Provider	Service/Product	Status	Annual Cost	Comment(s)
Davis Farr LLP	Annual Audit Services	Contract	\$8,500	Commission approved a four-year contract with Davis Farr on 8/10/2016 through a competitive RFP process involving five LAFCOs (Imperial, Los Angeles, Orange, Riverside, and San Bernardino) to secure lower bids and cost-savings. Work under this contract is nearing completion (the audit for the final year of the contract (FY 2020-2021) is in progress).
Platinum Consulting Group (PCG)	Accounting, Budgeting, and Bookkeeping	No contract	\$20,000	LAFCO has used PCG consulting for more than a decade; staff is comfortable with the quality and service provided by PCG. PCG specializes in providing services to small governmental agencies, including many special districts and Orange LAFCO. Costs are reported annually and approved by the Commission during the LAFCO budget process. PCG is substantially less expensive than previous provider(s) and offers a range of services (accounting, bookkeeping, and budgeting) suited to LAFCO's needs.
CALPERS/CERBT	OPEB Trust Fund	Agreement	\$500	Commission approved an agreement with the California Employer's Retiree Benefit Trust Fund (CERBT) Division of the California Public Employees' Retirement System (CalPERS) on 5/9/2018; there is no expiration date.
E Mulberg Associates	Municipal Services Review for the Santa Clarita Valley Water Agency (SCVWA)	Contract	\$38,950	All work under this contract is completed. The Commission awarded the contract on 06/12/19. The contract is one-time cost, and all MSR costs are reimbursed by SCVWA.
Policy Consulting Associates	Municipal Services Review for the Cities of Agoura Hills, Calabasas, Hidden Hills, and Westlake Village	Contract	\$108,990	All work under this contract is completed. The Commission awarded the contract on 06/12/19, and the contract is one-time cost. The Cities of Agoura Hills and Calabasas, as well as Supervisor Kuehl's Office, provided funding in the amount of \$75,000 to offset the consulting costs; the remaining consultant costs were expended as authorized in LAFCO's FY 2019-20 Budget.
RSG, Inc.	Municipal Services Review for the Cities of La Mirada and Whittier	Contract	\$48,000	Work under this contract is nearing completion. The Commission awarded the contract on 06/12/19, contract is one-time cost. Consultant costs are expended as authorized in LAFCO's FY 2019-20 Budget.
RSG, Inc.	Municipal Services Review for the Cities of the Consolidated Fire Protection District for the County of Los Angeles	Contract	\$108,656	All work under this contract is completed. The Commission awarded the contract on November 13, 2019, and the contract is a one-time cost. The City of Vernon provided \$75,000 in funding to offset the cost of the MSR/SOI Update. The remaining consultant costs were expended as authorized in LAFCO's FY 2019-20 Budget.
<i>Contracts added since last update (January 8, 2020)</i>				
Total Compensation Systems, Inc.	Actuarial Valuation Report	Contract	\$2,600	Work under this contract is nearing completion. The Government Accounting Standards Board (GASB) requires LAFCO to prepare a valuation every three (3) years. Consistent with Section 2 of the Procurement and Reporting Policy adopted by the Commission in 2019, ("Delegated Authority" for contracts which do not exceed \$10,000), the Executive Officer and Total Compensation Systems, Inc.'s president executed the contract on October 28, 2020.

Procurement and Reporting Policy
Adopted May 8, 2019

This policy shall apply to all contracts entered into by the Local Agency Formation Commission for the County of Los Angeles (LAFCO), as authorized by Government Code §§ 56375 (j), 56375(k), and 56380 which authorize the Commission to appoint and assign staff personnel, to employ or contract for professional or consulting services, and to incur usual and necessary expenses to carry out and effect the functions of the Commission and to make its own provision for necessary quarters, equipment and supplies.

This policy is intended to ensure that LAFCO practices ethical, responsible, and reasonable procedures relative to purchasing, financial commitments, contracts, and the hiring of consultants. This policy identifies the procedures which LAFCO will adhere to in the performance of its designated responsibilities, and it is intended to provide for a cost-effective use of public resources, including funds and staff time. This policy applies to LAFCO's contracting practices prospectively, after adoption of the policy by the Commission.

1. Commission Approval

Execution and award of contracts, agreements, and memoranda of understanding (collectively referred to as contracts) that exceed \$10,000, including but not limited to the those for the following types of services shall require Commission approval:

- Preparation of annual audits (this may be awarded in contracts for multiple years, and in concert with other LAFCOs);
- Municipal Service Reviews (MSRs), special studies, and/or equivalent;
- Lease(s), or lease extensions, for office space;
- Primary legal counsel and as-needed alternate counsel;
- Provider(s) of insurance, including employee medical/dental, property/liability, and workers compensation insurance coverage; and
- Provider(s) of employee pension coverage.

Contracts that require Commission approval shall utilize a competitive solicitation process in a form determined by the Executive Officer and approved by LAFCO legal counsel. Prior Commission authorization to release the solicitation is not required.

2. Delegated Authority:

The Commission hereby delegates authority to the Executive Officer to solicit, approve and execute contracts for goods, materials and services that do not exceed \$10,000 and are consistent with the authority provided by Government Code §§ 56375 and 56380. It is expected that this will include, but is not limited to, the following: computer equipment, (including desktop and laptop computers, printers, routers, servers, wireless networks, and similar and related products); miscellaneous services/leases (cell phone(s), postage meter, and plant service); and any other service or product not to exceed \$10,000. Notwithstanding the above, the Commission delegates authority to the Executive Officer to purchase and/or contract for legal advertising (public notice), routine information

Delegated Authority (continued):

technology services, and accounting/bookkeeping services, which exceed \$10,000, provided that these costs are documented in the annual budgets adopted by the Commission, identified in the Mid-Year Budget Report, and listed in the “Procurement and Reporting Policy Annual Report” identified in Section 4, below.

The Executive Officer is authorized to designate the Deputy Executive Officer (“DEO”) as his or her designee for all delegated authority herein. In the absence or unavailability of the Executive Officer, the Commission hereby delegates the foregoing authority to the DEO.

Delegated authority for contracts that are estimated to exceed \$5,000 shall utilize a competitive solicitation process in a form determined by the Executive Officer and approved by LAFCO legal counsel.

3. Emergency Authority

In the event of an emergency issue, as determined by the Executive Officer in consultation with the Commission Chair (or, if unavailable, with the Commission First Vice-Chair or Commission Second Vice Chair); when equipment, materials or services are required to protect the health, welfare and safety of the Commission or staff, and the cost exceeds the delegated authority of the Executive Officer; the Executive Officer shall receive approval of the Commission Chair (or, if unavailable, with the Commission First Vice-Chair or Commission Second Vice Chair); to award a contract and waive the requirements to conduct a competitive solicitation process. The Executive Officer shall notify the Commission either in writing or in a report at the next available Commission Meeting.

4. Reporting Requirements:

Staff shall prepare a written “Procurement and Reporting Policy Annual Report” (“Report”) and agendize the same at a Commission meeting in the first quarter of each calendar year. The Report shall list all outside service providers, and shall include, but not be limited to, the name of the provider; the service/product provided; and the status/term of any contracts, leases, or equivalent.

The Report shall be prepared annually and posted to the LAFCO website. The most recent five (5) years of Reports shall be maintained in the “Transparency” section of the LAFCO website.

5. Conflict(s) of Interest:

LAFCO shall avoid real or potential conflicts of interest in its contracting practices. Contracts shall not be entered into with members of the Commission, LAFCO employees, and vendors in which Commissioners or LAFCO employees have a financial or ownership interest. This provision extends to those who within the immediately preceding 12 months were Commission members or employees of LAFCO who participated in the area of service performed or developing the contract or its service specifications.

Staff Report

February 10, 2021

Agenda Item No. 10.a.

Legislative Update and Request to Take as “Support” Position Relative to Anticipated Legislation to amend Government Code § 56133(e)

Legislation:

Due to delays associated with COVID-19 restrictions, the Legislature has gotten off to a slow start in 2021. Staff expects that several bills which failed in last year’s session will be re-introduced in 2021. The Assembly Local Government Committee is expected to introduce its annual Omnibus Bill to address technical changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; the CALAFCO Legislative Committee, including the Executive Officer, is actively involved in the development of this bill.

Staff reports on the following two (2) bills:

- **SB 55 (Stern):** Introduced by Senator Henry Stern on December 7, 2020, SB 55 would prohibit the creation or approval of a new development, as defined, in a Very High Fire Hazard Severity Zone (VHFHSZ) or a State Responsibility Area (SRA). CALAFCO has taken a “watch” position on SB 55.
- **AB 11 (Ward):** Introduced by Assemblyman Chris Ward on December 7, 2020, AB 11 would require the Strategic Growth Council to establish up to 12 regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions, and coordinate with other regional climate adaptation authorities, state agencies, and other relevant stakeholders. CALAFCO has taken a “watch” position on AB 11.

Anticipated Legislation to Amend Government Code § 56133(e)

Existing law (Government Code § 56133) states that cities and special districts need to request and receive LAFCO approval before entering contracts to provide services outside their jurisdictional boundaries. The law includes a limited number of exceptions in subsection (e) that do not require formal approval, such as contracts between two or more public agencies where the contract services are alternatives and equal substitutes for services already provided.

While most local governmental agencies appropriately check-in with LAFCOs to assess exception eligibility, not all do, and some have chosen to “self-exempt” themselves and contract-in and/or contract-out key municipal services that otherwise merit LAFCO review and approval pursuant to the statute. This issue has arisen on multiple occasions in San Diego County in the last three years, including:

1. City of Coronado and City of Imperial Beach
2. Greater San Diego County Resource Conservation District and Mission Resource Conservation District
3. Tri City Health Care District and Palomar Health Care District

San Diego LAFCO has expended considerable time, effort, and resources addressing these and other exemption issues, and has incurred significant costs on outside legal counsel. San Diego LAFCO is, therefore, seeking support from other LAFCOs for proposed legislation to amend Government Code § 56133(e) to state, explicitly, that LAFCO must determine an agency's eligibility to receive an exception (copy attached). As noted by San Diego Executive Officer Keene Simonds, "This simple amendment would help ensure decisions by public agencies to contract-in and/or contract-out key services are appropriately vetted and eliminates the potential for disputes and their associated costs when local agencies proceed without check-ins and things go south thereafter."

In 2014, the Commission (LA LAFCO) approved an exemption (Out-of-Agency Service Agreement No. 2014-08) to allow retail water service in unincorporated Hacienda Heights and the City of La Habra Heights by the City of La Habra Utility Authority. Given the issues raised by that exemption request, the Commission adopted a policy in 2015 (see attached) which requires cities and special districts to secure LA LAFCO approval, in writing and in advance, before the agency provides service outside its jurisdictional boundaries. Several other LAFCOs have adopted similar policies.

Rather than the current policy-based approach, the legislation proposed by San Diego LAFCO would provide statutory authority to all LAFCOs to require advance approval relative to eligibility for an exception under Government Code § 56133 (e). Given its consistency with existing Commission policy, staff recommends that the Commission take a "SUPPORT" position on this proposed legislation.

Should the Commission have questions about the proposed legislation, LAFCO Executive Officer Keene Simonds will be available during today's virtual meeting.

Recommended Action:

Staff recommends that the Commission:

1. Receive and file the Legislative Update; and
2. Take a "SUPPORT" position relative to anticipated legislation to amend Government Code § 56133(e), authorize the Chair to sign letters documenting this position, and direct staff to convey this support the Governor, legislators, and other stakeholders.

Attachments:

- Requesting an Out-of-Agency Service Extension or Exemption Pursuant to Government Code Sections 56133 and 56134 (Commission Policy Adopted February 11, 2015; Revised May 13, 2015; and Revised March 9, 2016)
- Government Code Section 56133 Proposed Amendment Regarding Exception Determination (from San Diego LAFCO)

Government Code Section 56133
Proposed Amendment Regarding Exception Determination

56133.

(a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.

(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.

(c) If consistent with adopted policy, the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:

(1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.

(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

(d) The executive officer, within 30 days of receipt of a request for approval by a city or district to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of requests made pursuant to this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.

(e) This section does not apply to any of the following as determined by the commission or the executive officer:

(1) Two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.

(2) The transfer of nonpotable or nontreated water.

(3) The provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus

water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.

(4) An extended service that a city or district was providing on or before January 1, 2001.

(5) A local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundary.

(6) A fire protection contract, as defined in subdivision (a) of Section 56134.

(f) This section applies only to the commission of the county in which the extension of service is proposed.

**Requesting an Out-of-Agency Service Extension or Exemption
Pursuant to Government Code Sections 56133 and 56134**

**Adopted February 11, 2015
Revised May 13, 2015
Revised March 9, 2016**

Background:

Unless determined by the Commission to be exempt, a city or district may provide new or extended services by contract outside its jurisdictional boundaries only if it first requests and receives written approval from the Commission.

Procedures for Requests Pursuant to Government Code Section 56133:

If a request pursuant to Government Code Section 56133 is filed by a party other than the city or district which would provide the service, the affected city or district must provide a written endorsement indicating its willingness to provide the service if the Commission approves the request.

The Commission shall consider any proposals for an out-of-agency service extension, either pursuant to Government Code Section 56133(b), if a future change of organization or reorganization is anticipated, or pursuant to Government Code Section 56133(c), if the Commission finds that there is an existing or impending threat to public health or safety of the residents of the affected territory.

The Commission shall also consider any requests to be exempt from the requirement to obtain LAFCO approval of an out-of-agency service extension, pursuant to Government Code Section 56133(e).

LAFCO shall publish a notice no less than 21 days in advance of the public hearing before the Commission, consistent with Government Code sections 56153-56154, except as otherwise provided herein.

If the Executive Officer determines that an out-of-agency request is associated with an urgent situation where the public interest requires action in less than 21 days, the Executive Officer may waive the 21-day notice and agendize the matter before the Commission as a special meeting, which may be by teleconference, pursuant to the requirements of the Ralph M. Brown Act (Government Code Section 54950 et seq) with the concurrence of the Commission Chair, or if the Chair is unavailable, the concurrence of the First Vice Chair, or Second Vice Chair as may be available.

**Requesting an Out-of-Agency Service Extension or Exemption
Pursuant to Government Code Sections 56133 and 56134
Page 2 of 2**

Procedures for Requests Pursuant to Government Code Section 56134:

The Commission shall consider any proposals for an out-of-agency service extension for fire protection contracts consistent with the provisions of Government Code Section 56134.

Reconsideration

Government Code Sections 56133 and 56134 provide that requests for reconsideration may be made by the applicant. It is the policy of the Commission to also consider requests for reconsideration filed by any person or affected agency. Reconsideration shall be subject to the procedures and requirements established in Government Code Section 56895, except as provided herein.

Voting Members

Jerry Gladbach
Chair

Donald Dear
1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

Kathryn Barger
Richard Close
Margaret Finlay
John Mirisch
Holly Mitchell
Vacant
(City of Los Angeles)

Alternate Members

Lori Brogin-Falley
Janice Hahn
David Lesser
Mel Mathews
Vacant
(City of Los Angeles)
Vacant
(Cities in Los Angeles
County)

Staff

Paul Novak
Executive Officer

Adriana Romo
Deputy Executive Officer

Amber De La Torre
Doug Dorado
Adriana Flores
Michael Henderson
Alisha O'Brien

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www.lalafco.org

January 27, 2021

The Honorable Nury Martinez
City Council President
City of Los Angeles
Room 470, City Hall
200 North Spring Street
Los Angeles, CA 90012

Dear Council President Martinez:

I am writing to request that you appoint a member of the City Council as the City of Los Angeles Voting Member, and appoint a member of the City Council as the City of Los Angeles Alternate Member, to the Commission (LAFCO), at your earliest convenience.

Pursuant to Government Code Section 56326(d), and as the presiding officer of the legislative body of the City of Los Angeles, you are the sole authority empowered to appoint the City's Voting Member and Alternate Member on the Commission. The Voting Member position became vacant in early December, when former Councilman David Ryu left office. The Alternate Member position has been vacant since October, 2019.

Should you or your staff have any questions, please do not hesitate to contact me via email (pnovak@lalafco.org) or telephone (626/991-5835).

Thank you.

Sincerely,



Paul A. Novak, AICP
Executive Officer

Copy to: LAFCO Commissioners
Mr. Ackley Padilla, Chief of Staff
Ms. Alexis Wesson, Deputy Chief of Staff
Mr. Max Podemski, Planning Director

Executive Officer Report

February 10, 2021

Agenda Item No. 13.a.

The Executive Officer hereby reports the following:

- **Independent Cities Alternate Member:** At its meeting on January 25, 2021, the Los Angeles County City Selection Committee unanimously voted to appoint Mayor Michael T. (Mike) Davitt of the City of La Canada Flintridge as the Alternate City Member position. Mayor Davitt fills an unexpired term that will end in May, 2023 (the unexpired term of former Alternate Member Judy Mitchell).
- **Upcoming Agenda Items:** Staff anticipates scheduling the La Mirada-Whittier Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the March 10 Commission Meeting; and scheduling the FY 2019-2020 Audit for the March 10 or April 14th Meeting.
- **Staff Schedule:** Based upon the Executive Officer's continued consultation with the Chair and legal counsel, LAFCO staff continue to work remotely, in furtherance of State and County emergency orders.
-

Staff Recommendation:

1. Receive and file the Executive Officer Report.