

MINUTES OF JUNE 24, 2009

STATE OF CALIFORNIA, COUNTY OF EL DORADO

1. CALL TO ORDER AND ROLL CALL

The meeting of the Local Agency Formation Commission held June 24, 2009 was called to order at 5:30 p.m. by Chair Loftis in the meeting room, Building C of the Government Center, 2850 Fair Lane, Placerville, California. Regular Members present were: City Members Jerry Birdwell and Carl Hagen, District Members Ken Humphreys and Harry J. Norris, County Member James R. Sweeney, and Public Member Francesca Loftis. Others present were: Alternate Public Member Norm Rowett, Executive Officer José C. Henriquez, LAFCO Counsel Andrew Morris and LAFCO Extra Help Marc Nocerino.

ROLL CALL - VOTING MEMBERS:

Birdwell, Hagen, Humphreys, Loftis, Norris, Sweeney

2. CONSENT CALENDAR

- A. ADOPTION OF AGENDA
- B. MINUTES OF THE REGULAR MEETING OF MAY 27, 2009
- C. APPROVAL OF CLAIMS
- D. AMEND THE POLICIES AND GUIDELINES TO GIVE THE CHAIR AUTHORIZATION TO CANCEL MEETINGS IF WARRANTED
- E. RECEIVE AND FILE LETTER FROM MATSON & ISOM

MOTION

Commissioner Norris moved to adopt the consent calendar, second by Commissioner Humphreys.

ACTION

The motion was approved by the following vote:

AYES: Birdwell, Hagen, Humphreys, Norris, Sweeney, Loftis
NOES: None
ABSTAIN: None
ABSENT: Briggs

3. PUBLIC FORUM/PUBLIC COMMENT

Chair Loftis opened the public forum. No member of the public addressed the Commission.

4. DETERMINE LAFCO'S GENERAL LIABILITY INSURANCE CARRIER

Mr. Henriquez reviewed the staff report with the recommendation that the Commission:

- 1. Receive the following information regarding LAFCO's general liability insurance options;
- 2. Receive the opinions from experts analyzing the various programs;
- 3. Approve the purchase of general liability insurance from the Special District Risk Management Association and supplemental insurance from Alliant;
- 4. Allocate any unspent monies in the general liability insurance category of the LAFCO budget into a reserve account and provide direction to staff on the basic framework of how the account should be structured; and
- 5. Direct staff to prepare and file the necessary paperwork.

1st MOTION

Commissioner Humphreys moved to purchase the SDRMA insurance along with the insurance coverage from Alliant and leave the \$30,000 operating as a line item budget that can be carried over if it is not used, second by Commissioner Norris.

Chair Loftis opened the public comment period.

Chief Thomas Keating, representing Rescue Fire Protection District and the Fire Chiefs' Association, asked if LAFCO could refund the excess GLI funds back to the district.

Mr. Henríquez responded that there is no legal mechanism to do that. He also said that it might be cost-prohibitive to administer a refund.

Ron Grassi, Assistant CAO, representing the CAO's office, spoke regarding the issue of the insurance. He stated that the County insurance is a broader coverage. One of the things he offered the Board to consider is that the \$2.5 million coverage is very, very low in today's economy. His recommendation was that if LAFCO did not go with the County insurance, then they should go with the \$10 million coverage, which is more of a sufficient amount of coverage.

Chair Loftis replied that she would absolutely agree that higher limits are better. She added that \$10 million would give them a comfort margin.

Commissioner Sweeney stated he also supports going to the \$5 million, but he thought the Commission should go to \$10 million.

AMENDED MOTION

Commissioner Humphreys amended his motion to contract with SDRMA insurance for \$10 million along with the insurance coverage from Alliant and leave the \$30,000 operating as a line item budget that can be carried over into the following year, if it is not used, second by Commissioner Norris.

ACTION

The motion was approved by the following vote:

AYES: Birdwell, Hagen, Humphreys, Norris, Sweeney, Loftis
NOES: None
ABSTAIN: None
ABSENT: Briggs

5. **CONSIDER REQUEST FROM DIAMOND SPRINGS-EL DORADO FIRE PROTECTION DISTRICT REGARDING THE ISSUE OF PROVIDING SERVICE OUTSIDE OF DISTRICT BOUNDARIES**

Mr. Henríquez reviewed the staff report with the recommendation that the Commission not take any action because it is an active legal case.

MOTION

Commissioner Norris moved to remove the item from the table, second by Commissioner Sweeney.

ACTION

The motion was approved by the following vote:

AYES: Birdwell, Hagen, Humphreys, Norris, Sweeney, Loftis
NOES: None
ABSTAIN: None
ABSENT: Briggs

Chair Loftis opened the public comment period.

Chief Todd Cunningham, representing Diamond Springs-El Dorado Fire Protection District (DSP), addressed the Commission stating that they had made several attempts at entering into discussion

with all the fire agencies in the County, including El Dorado County Fire Protection District. It is their position that they believe it can be resolved through separate communications and the proposed resolutions outlined in the letter to LAFCO and staff report prepared by the Executive Officer in so much as either an annexation of land that has been historically served without contribution by the Tribe and cost to the taxpayers for over three decades or by an annexation of the El Dorado County Fire Protection District. He added that while there is a case pending on the situation, there is not case number assigned or a court assigned, and the case has not been accepted in a court yet because the attorneys have not been able to agree. A pre-trial settlement conference has been requested by DSP as a procedural matter to try and avoid court and they have been denied that opportunity by the respondent in the matter. It is not their desire to enter into a contract with the Tribe; they believe there are inherent problems with Red Hawk Casino that create a liability for the Diamond Springs-El Dorado Fire Protection District. DSP currently has that liability since the casino lies within their jurisdiction. He suggested LAFCO or anyone who has influence to intervene to encourage dialogue.

Commissioner Sweeney and Chief Cunningham discussed the nature and venue of the court action requested by DSP.

6. **OTHER BUSINESS**

- A. LEGISLATION
- B. COMMISSIONER ANNOUNCEMENTS
- C. COUNSEL REPORT
- D. EXECUTIVE OFFICER REPORT

Mr. Henriquez brought to the attention of the Commission the correspondence received by Diamond Springs-El Dorado Fire Protection District, which requested to opt out of participating directly in the fire study. He added that the MOU between the County and LAFCO had not been drafted yet; the hope is to have it by July. In addition, the RFP had already been circulated and LAFCO had already heard from consultants who had expressed an interest.

7. **ADJOURNMENT**

MOTION

Commissioner Humphreys moved to adjourn the meeting, second by Commissioner Norris.

ACTION

The motion was approved by the following vote:

- AYES: Birdwell, Hagen, Humphreys, Norris, Sweeney, Loftis
- NOES: None
- ABSTAIN: None
- ABSENT: Briggs

Chair Loftis adjourned the meeting at 6:10 pm.

The next regularly scheduled LAFCO meeting will be July 22, 2009.

**APPROVED BY THE COMMISSION
AUTHENTICATED AND CERTIFIED**

Clerk to the Commission

Chairperson