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Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

CONTACT: Sharyl K. Preskitt, 961-8828

SUBJECT: Amendment to the Joint Powers Agreement with the Special District Risk Management Authority

RECOMMENDATION:

1. Adopt a Resolution approving the form of and authorizing the execution and delivery of a sixth amended joint powers agreement (JPA) relating to the Special District Risk Management Authority (SDRMA).
2. Authorize the Board Chair to execute the Sixth Amended JPA.
3. Authorize the Air Pollution Control Officer to execute and implement subsequent actions.

DISCUSSION:

The Santa Barbara County Air Pollution Control District (APCD) is a member of the Special District Risk Management Authority (SDRMA) workers' compensation program. SDRMA is a public entity Joint Powers Authority established to provide cost-effective insurance coverage and risk management programs for special districts and other public agencies throughout California. The APCD became a member on July 1, 2005.

This amendment will (1) eliminate a provision that requires the SDRMA to pay an annual administrative fee to the California Special Districts Association (CSDA); (2) adds language that makes certain provisions consistent with the Government Code; (3) remove outdated provisions relating to the consolidation of the SDRMA with the Special Districts Workers' Compensation Authority; and (4) add language that clarifies member participation between programs and withdrawal provisions.

The primary change proposed to Article 25, *Annual Service Fees; Provisions Relating to CSDA*, serves to create financial equity between the members for SDRMA members and CSDA members who do not participate in SDRMA programs. As currently written, Article 25 requires SDRMA to annually pay CSDA an administrative fee equal to 1% of SDRMA's net annual premiums. With SDRMA's significant growth in recent years, the SDRMA Board of Directors feel that this long standing provision in the JPA is creating financial inequity in the cost of membership in CSDA for SDRMA members. This proposed amendment will be beneficial for the SDRMA and its members.

The remaining changes do not materially affect or change membership requirements or substantially modify the terms of the JPA. Furthermore, the recommended amendments will not affect the coverage, services, benefits, or relationship with the SDRMA.

FISCAL IMPACT:

There is no fiscal impact from this action.