



FINAL MINUTES

LAFCO REGULAR MEETING
Wednesday, August 13, 2008 9:00 a.m.
Multi-Purpose Room, Irvine Ranch Water District
15600 Sand Canyon Avenue
Irvine, CA

1. CALL TO ORDER

Chair Withers called the regular meeting of the Local Agency Formation Commission (LAFCO) to order at 9:12 a.m.

2. PLEDGE OF ALLEGIANCE

Chair John Withers led the pledge of allegiance.

3. OATH OF OFFICE

Commission Clerk Garcia-Negrete administered the oaths of office for Commissioners Cheryl Brothers, Arlene Schafer, and Patsy Marshall.

4. ROLL CALL

The following Commissioners and alternates were present:

- **Chair John Withers**
- **Vice Chair Susan Wilson**
- **Commissioner Cheryl Brothers**
- **Commissioner Bill Campbell**
- **Commissioner Peter Herzog**
- **Commissioner John Moorlach**
- **Commissioner Arlene Schafer**
- **Alternate Commissioner Pat Bates**

The following Commissioners were absent at roll call:

- **Alternate Commissioner Patsy Marshall** (arrived at 9:14 am)
- **Alternate Commissioner Rhonda McCune**
- **Alternate Commissioner Charley Wilson** (arrived at 10:36 am)

The following LAFCO staff members were present:

- **Legal Counsel Clark Alsop**
- **Executive Officer Joyce Crosthwaite**

- Assistant Executive Officer Bob Aldrich
- Senior Project Manager Carolyn Emery
- Commission Clerk Esther Garcia-Negrete
- Policy Analyst Benjamin Legbandt
- Student Intern Joe Serrano

Prior to consideration of the agenda items, **Chair Withers** welcomed everyone and thanked them for their attendance.

5. APPROVAL OF MINUTES

June 23, 2008 – Regular Commission Meeting Minutes

Chair Withers called for any changes and approval of the June 23, 2008 meeting minutes. There were none.

MOTION: Approve June 23, 2008 meeting minutes without revision
(John Moorlach)
SECOND: Bill Campbell
FOR: Cheryl Brothers, Bill Campbell, Peter Herzog, John Moorlach,
Arlene Schafer, Vice Chair Susan Wilson, and Chair John
Withers
AGAINST: None
ABSTAIN: None
MOTION PASSED

6. PUBLIC COMMENT

Chair Withers requested public comments on any non-agenda item. There were none.

7. CONSENT CALENDAR

None

8. PUBLIC HEARING

8a. – Whispering Hills II Reorganization to the City of San Juan Capistrano (RO 07-05)

Senior Project Manager Carolyn Emery summarized the proposed Whispering Hill II Reorganization to the City of San Juan Capistrano. . She noted that the Commission had previously approved a similar reorganization adjacent to the proposed territory, which at that time was removed from the annexation application due to realignment of a road located within annexation area. She recommended that the Commission approve the proposed reorganization.

Chair Withers asked for Commissioner comments or questions of staff.

Commissioner Moorlach inquired if the realignment project was complete. **Commissioner Bates** responded that it was recently completed.

Chair Withers opened the public hearing. There were no public speakers and **Chair Withers** closed the public hearing.

MOTIONS: Approve the proposed Whispering Hills II Reorganization to City of San Juan Capistrano. (Peter Herzog)
SECOND: Bill Campbell
FOR: Cheryl Brothers, Bill Campbell, Peter Herzog, John Moorlach, Arlene Schafer, Vice Chair Susan Wilson, and Chair John Withers
AGAINST: None
ABSTAIN: None
MOTIONS PASSED

8b. – Cypress Parks and Recreational District Sphere of Influence Review

Executive Officer Crosthwaite noted that this item was placed on agenda to inform the Commission that it will be considering the sphere of influence review for the Cypress Parks and Recreational District. She added that review of the agency's sphere was overlooked by staff during the first round of agency sphere reviews.

Chair Withers asked if the Cypress Parks and Recreational District was an independent district. Executive Officer Crosthwaite responded that the district is a dependent district and a subsidiary of the City of Cypress.

9. COMMISSION DISCUSSION AND ACTION

9a. – Best, Best, & Krieger Review Session

Legal Counsel Clark Alsop reviewed recent changes to the Ralph M. Brown Act, the status of active CALAFCO legislation, and a recent Attorney General opinion related to LAFCO's authority.

Chair Withers stepped out, and **Vice Chair Wilson** continued to chair the meeting.

9b. – Contract with the Orange County Archivist

Executive Officer Crosthwaite briefly presented the proposed contract with the County of Orange Archivist department for storing and cataloging of LAFCO permanent records. She added that the contract would result in cost-savings to the agency and would still provide access of LAFCO files to the public. She stated that because the contract is under \$10K, it does not require the Commission's approval and may be executed by the Executive Officer.

However, she did bring it forward to keep the Commission informed. Vice Chair asked for Commissioner comments or questions of staff. There were none.

MOTION: Direct Executive Officer to execute contract with the Orange County Archivist to preserve Orange County LAFCO records. (Arlene Schafer)
SECOND: Bill Campbell
FOR: Cheryl Brothers, Bill Campbell, Peter Herzog, John Moorlach, Arlene Schafer, and Vice Chair Susan Wilson.
AGAINST: None
ABSTAIN: None
MOTION PASSED

Chair Withers returned to meeting and resumed as Chair.

9c. – CALAFCO Annual Conference Voting Delegates

Executive Officer Crosthwaite noted that it is customary for the Chair and Vice Chair to be the voting delegates at the annual CALAFCO conference. She requested that the Commission permanently designate the Chair and Vice Chair as the voting delegates at the annual CALAFCO conference. Executive Office Crosthwaite added that should neither be available for voting at conferences, the Commission could delegate this responsibility to other members of the Commission.

MOTION: Permanently designate LAFCO Chair and Vice Chair as the voting delegates for the annual CALAFCO conferences. (Arlene Schafer)
SECOND: Bill Campbell
FOR: Cheryl Brothers, Bill Campbell, Peter Herzog, John Moorlach, Arlene Schafer, and Vice Chair Susan Wilson.
AGAINST: None
ABSTAIN: None
MOTION PASSED

Commissioner Campbell requested Commissioner Herzog brief the Commission regarding the events of the August 8th CALAFCO Board meeting.

Commissioner Herzog highlighted the issues discussed at the board meeting and stated that there was much dialogue on proposed legislation SB375 and the board's position on the bill. He added that he expressed reservations at the meeting with the board taking a position on the bill, as amendments to the bill had not yet been reviewed by many board members. Commissioner Herzog stated that board members needed additional time to analyze and discuss the bill when final edits are available in print. He summarized the implications of

SB375 and expressed that he viewed this bill as impacting local government control. He concluded that this issue, along with other past board decisions, represented reasons for his stepping down as Chair of the CALAFCO Board.

Commissioner Campbell applauded **Commissioner Herzog** for being a person of principal.

Commissioner Bates noted the importance of equal and well informed representation, especially because the good of the people is in the hands of a few representatives.

Commissioner Moorlach noted that OCLAFCO contributes the second highest dues payments and therefore OCLAFCO needs should be acknowledged.

Commissioner Brothers noted that the Orange County League of Cities and Orange County Council of Governments have approved opposing positions on SB375. She commented that passivity is no longer a viable option for local governments.

Executive Officer Crosthwaite stated that there will be a roundtable discussion for Commissioners at the upcoming CALAFCO conference that would be a good opportunity for Commissioners to discuss the proposed legislation further. She also informed the Commission of the current vacancies on the CALAFCO Board and encouraged Commissioners to run for the seats.

Commissioner Campbell stated that he had to leave the meeting early to attend an OCTA board meeting and asked if he could share his comments regarding 2008-2009 Strategic Plan prior to the agenda item being heard. He stated that staff had done an exceptional job but expressed disappointment that the concept of agency scorecards was not fully embraced.

9d. – 2008-2009 Strategic Planning Session

Executive Officer Crosthwaite presented the 2008-2009 Strategic Plan and noted the progress of the initiatives previously set by the Commission.

Commissioner Campbell excused himself from the meeting.

Chair Withers commented that some the remaining islands are large and contentious but added that he is encouraged by recent conversations with the respective representatives from the cities and County. He also inquired if the County knew how much was being spent in unincorporated areas to provide services compared to the revenue the areas generate.

Commissioner Moorlach responded that currently the net costs and revenues generated in the unincorporated areas are not known. He added that the County has the option to reduce the level of services it currently provides to these areas or propose a countywide ballot measure that includes a utility tax so that those areas become financially self sufficient.

Commissioner Bates stated that there are unincorporated areas that are already self sufficient such as Coto de Caza. **Vice Chair Wilson** asked if there were any others. Commissioner Bates replied that the community of Ladera Ranch is also self sufficient with the exception of law and traffic enforcement.

Commissioner Herzog stated that understanding the fiscal status of these unincorporated areas is pivotal to improving the long-term delivery of municipal services within these areas.

Commissioner Bates noted that it was important to point out that the political implications of imposing a tax and annexation of some of these areas.

Executive Officer Crosthwaite commented that during previous annexations of unincorporated areas, the Commission's offer of financial incentives to cities such as a waiver of LAFCO application fees and reduced processing costs have been successful. She stated that she is optimistic that these incentives might be once again productive.

10. COMMISSIONER COMMENTS

Executive Officer Crosthwaite stated that there were few items scheduled for the October 8th meeting and recommended the Commission consider canceling the meeting. The Commission approved cancelation of the October 8th meeting.

11. INFORMATIONAL ITEMS & ANNOUNCEMENTS

11a. – Letter submitted to the Orange County Grand Jury

Executive Officer Crosthwaite commented that this item was for informational purposes only and does not require any action by the Commission.

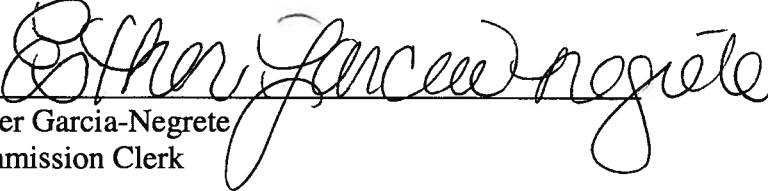
12. CLOSED SESSION

The Commission met in closed session to discuss the evaluation of the Executive Officer and continued the item to the September 10th meeting. There was no reportable action.

13. ADJOURNMENT

The meeting adjourned at 11:38 am.

JOHN WITHERS, Chair
Orange County Local Agency Formation Commission

By: 
Esther Garcia-Negrete
Commission Clerk