



FINAL MINUTES

LAFCO REGULAR MEETING

Monday, June 23, 2008, 8:00 a.m.

Planning Commission Hearing Room, Hall of Administration
10 Civic Center Plaza
Santa Ana, CA

1. CALL TO ORDER

Chair Withers called the regular meeting of the Local Agency Formation Commission (LAFCO) to order at 8:01 a.m.

2. PLEDGE OF ALLEGIANCE

Commissioner Bob Bouer led the pledge of allegiance.

3. ROLL CALL

The following Commissioners and alternates were present:

- **Chair John Withers**
- **Vice Chair Susan Wilson**
- **Commissioner Robert Bouer**
- **Commissioner Bill Campbell**
- **Commissioner Peter Herzog**
- **Commissioner John Moorlach**
- **Commissioner Arlene Schafer**
- **Alternate Commissioner Pat Bates**
- **Alternate Commissioner Rhonda McCune**
- **Alternate Commissioner Charley Wilson**

The following Commissioners were absent at roll call:

- **Alternate Commissioner Patsy Marshall**

The following LAFCO staff members were present:

- **Legal Counsel Scott Smith (arrived at 8:31 am)**
- **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

4. APPROVAL OF MINUTES

May 14, 2008 – Regular Commission Meeting Minutes

Chair Withers called for any changes and approval of the May 14, 2008 meeting minutes. There were none.

MOTION: Approve May 14, 2008 meeting minutes without revision
(Susan Wilson)
SECOND: Arlene Schafer
FOR: Bob Bouer, Bill Campbell, Peter Herzog, John Moorlach,
Arlene Schafer, Vice Chair Susan Wilson, and Chair John
Withers
AGAINST: None
ABSTAIN: None
MOTION PASSED

May 22, 2008 – Regular Commission Meeting Minutes

Chair Withers called for any changes and approval of the May 22, 2008 meeting minutes. There were none.

MOTION: Approve May 22, 2008 meeting minutes without revision
(Arlene Schafer)
SECOND: John Moorlach
FOR: Bob Bouer, Bill Campbell, Peter Herzog, John Moorlach,
Arlene Schafer, Vice Chair Susan Wilson, and Chair John
Withers
AGAINST: None
ABSTAIN: None
MOTION PASSED

5. PUBLIC COMMENT

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

6. CONSENT CALENDAR

None

7. PUBLIC HEARING

Prior to consideration of public hearing items, **Chair Withers** noted that this was **Commissioner Bouer's** last meeting as a LAFCO Commissioner. He highlighted **Commissioner Bouer's** accomplishments, both as a Commissioner and personally, and thanked him on behalf of the Commission for his many contributions.

Commissioner Bouer expressed his sentiments regarding his years of service as a LAFCO Commissioner and thanked his fellow Commissioners

7a. – Rossmoor Incorporation (IN 07-02) Requests for Reconsideration

Executive Officer Joyce Crosthwaite noted that no requests for reconsideration were filed regarding the Commission's approval of the proposed Rossmoor Incorporation (IN 07-02).

Commissioner Moorlach informed the Commission that on June 24th the Orange County Board of Supervisors would be discussing the Rossmoor incorporation and the Board is expected to place the incorporation measure on the November 2008 ballot. He also noted that his office was exploring the possibility of adding a measure to the November ballot to impose a user utility tax on unincorporated County islands.

Commissioner Herzog noted he did not support the Rossmoor incorporation, and expressed concerns regarding raising taxes in unincorporated islands. He suggested that an alternative to taxing residents may be to conduct a comprehensive analysis of the remaining unincorporated county islands and develop a global strategy that looks at long-term options for these areas.

Executive Officer Crosthwaite responded that an in-depth discussion on unincorporated islands is planned for the August 13th, 2008 strategic planning session.

Commissioner McCune expressed her objections to the proposed Rossmoor Incorporation and concurred with Commissioner Herzog's comments.

8. COMMISSION DISCUSSION AND ACTION

8a. – Municipal Water District of Orange County (MWDOC) Governance Alternatives Study Contract

Executive Officer Crosthwaite summarized the events that led to the governance study and stated that the study is being done because of remaining unresolved issues. She summarized the proposed consultant contract and added that efforts to divide the contract between two firms resulted in an increase of \$40K to complete the study. Executive Officer Crosthwaite indicated that staff is now recommending that a single firm, Winzler and Kelly, be selected to

complete the study. She stated that several South County agencies have offered to fund the study. She recommended that the Commission approve staff's recommendations.

Chair Withers asked for Commissioner comments or questions of staff.

Vice Chair Wilson requested clarification of MWDOC's interest in funding the study and the impact that may have on other participants' contributions. Executive Officer Crosthwaite stated that should MWDOC decide to participate in funding of the study, staff will reallocate the remaining contributions required accordingly.

Commissioner Campbell stated that he previously was not supportive of the governance alternatives study but might reconsider based on public testimony.

Commissioner Moorlach recommended including a proviso that prohibits the two staff persons from the consulting firm from contributing to the governance alternatives study if the study proceeds.

Chair Withers opened the floor for discussion.

Kevin Hunt, General Manager, MWDOC, thanked staff for moving the issue forward. Additionally, he commended Commissioners Campbell and Moorlach for their comments. Mr. Hunt noted MWDOC's commitment to fund 50 percent of the study and expressed his sentiments regarding staff recommendations.

Diana Leech, Consultant, Colden State Water Company, requested the Commission be mindful that MWDOC has 29 member agencies whose limited resources may be otherwise occupied.

Jack Foley, General Manager, Moulton Niguel Water District (MNWD), stated his extensive local and regional experience and expressed his opposition to moving the governance alternatives study forward. He suggested LAFCO require the agencies to revisit the consensus document previously presented to ensure all issues are resolved.

John Schatz, General Manager, Santa Margarita Water District, ceded his time.

Chair Withers asked for Commissioner comments.

Commissioner Moorlach requested elaboration on the consensus agreement produced as a result of the facilitated meetings. Executive Officer Crosthwaite responded that extensive facilitation was provided and it resulted in a consensus agreement. However, it required ratification by all the Boards of Directors and not all the boards ratified the agreement. She concluded by stating that too much time had transpired to revisit the agreement at this time.

MOTIONS: Approve contract with Winzler and Kelly with the revision to include a proviso excluding the two staff members identified from participating, and accept MWDOC's offer to fund half of the governance alternatives study. (Bill Campbell)

SECOND: John Moorlach

FOR: Bob Bouer, Bill Campbell, Peter Herzog, John Moorlach, Arlene Schafer, Vice Chair Susan Wilson, and Chair John Withers

AGAINST: None

ABSTAIN: None

MOTION PASSED

9. COMMISSIONER COMMENTS

Vice Chair Wilson noted that attendance to the Strategic Planning Session has declined and encouraged all Commissioners to attend and participate in this year's session.

Executive Officer Crosthwaite noted the Strategic Planning session would be held on August 13, 2008 at IRWD's multi-purpose room at 9 a.m. She additionally indicated that an ethic training seminar will be held following the Strategic Planning Session to satisfy the mandated AB1234 requirements.

10. INFORMATIONAL ITEMS & ANNOUNCEMENTS

Executive Officer Crosthwaite reminded the Commission of the upcoming annual CALAFCO conference which will be held at the Universal Studios Sheraton in Universal City. She also noted that that staff is currently coordinating an Audit 101 session for the conference.

Commissioner Moorlach thanked staff for their work on the Orange County/Los Angeles County Boundary report.

Vice Chair Wilson requested an update on the Orange County/Los Angeles County Boundary report.

Senior Project Manager Emery provided a status summary of the boundary report and indicated that the revised report will be presented to the Orange County Board of Supervisors on July 22nd. She highlighted revisions and additions to the report and added that staff would be seeking approval from the Board of Supervisors regarding further exploration of potential adjustments. She noted that an additional update would be presented to the Commission at the Strategic Planning Session.

11. CLOSED SESSION

None

12. ADJOURNMENT

The meeting adjourned at 11:50 am.

JOHN WITHERS, Chair
Orange County Local Agency Formation Commission

By: 

Esther Garcia-Negrete
Commission Clerk