



FINAL MINUTES

LAFCO REGULAR MEETING

Wednesday, November 12, 2008, 9:00 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 9:05 a.m.

2. PLEDGE OF ALLEGIANCE

Commissioner Cheryl Brothers led the pledge of allegiance.

3. 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**
- **Alternate Commissioner Patsy Marshall**
- **Alternate Commissioner Rhonda McCune**
- **Alternate Commissioner Charley Wilson**

The following Commissioners were absent at roll call:

None

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**
- **Consultant Joe Serrano**
- **Administrative Assistant Danielle A. Reyes**

4. APPROVAL OF MINUTES

September 10, 2008 – Regular Commission Meeting Minutes

Chair Withers called for any changes and approval of the September 10, 2008 regular commission meeting minutes. There were none.

MOTION: Approve September 10, 2008 regular commission meeting minutes without revision (Susan Wilson)
SECOND: Arlene Schafer
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

5. PUBLIC COMMENT

Chair Withers requested public comments on any non-agenda item.

Commissioner Moorlach, on behalf of the Orange County Board of Supervisors, presented a resolution recognizing **Chair Withers** for his years of service on the Newport Bay Executive Committee. **Chair Withers** also served as Vice Chair for the Santa Ana Regional Water Quality Control Board from 1999 to 2006 and served as Chair from 2000 to 2001. In addition, Chair Withers served as the representative of the Santa Ana Regional Quality Control Board for the Newport Bay Watershed Executive Committee since June 1999. **Commissioner Moorlach** noted that **Chair Withers** contributed sound and practical counsel on watershed issues which improved the environment of the Newport Bay Watershed and the Santa Ana region.

Commissioner Withers expressed his gratitude and appreciation being able to serve on numerous boards and committees that have made a positive difference for Orange County.

6. CONSENT CALENDAR

6a. – Quarterly Legislative Report

6b. – Conflict of Interest Code Biennial Review and Amendments

MOTION: Approve consent calendar (John Moorlach)
SECOND: Susan Wilson
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

7. PUBLIC HEARING

7a. – Reconfirmation of Municipal Services Review and Sphere of Influence Review (SOI 08-03)

Assistant Executive Bob Aldrich provided an overview of the proposal. He stated that Orange LAFCO completed the majority of the first cycle of agency MSR and SOI reviews prior to the January 1, 2008 deadline and that the Commission is currently in its second, five-year cycle of MSR and SOI updates. Mr. Aldrich explained that, consistent with the direction of the Commission at this year's Strategic Planning Session, staff is recommending that the MSRs/SOIs for the majority of agencies be reconfirmed. He explained that the data and analysis in the current MSRs remain accurate and that no additional issues have been identified by staff.

If the reconfirmation of the MSRs and SOIs is approved by the Commission, Assistant Executive Officer Aldrich noted that this would free up time for staff to focus on those agencies which may have service or sphere related issues. Finally, he explained that staff is currently developing a new approach to MSRs called "Best Practices" that will be used to meet future MSR/SOI requirements. In conclusion, Mr. Aldrich recommended that the Commission reconfirm the majority of the MSRs/SOIs for those agencies identified in the staff report and adopt the draft resolution.

Commissioner Bates mentioned that the three homeowners associations in the community of Coto De Caza have appointed a board to review governance options. In addition, the board has requested that the sphere of influence review for Rancho Santa Margarita be postponed until June in order to complete their efforts. She asked that the Commission change the sphere review for the City of Ranch Santa Margarita to the June 2009 meeting.

Commissioner Campbell inquired about the East Orange Water District and whether or not staff was asking for reconfirmation. Assistant Executive Officer Aldrich clarified that staff is not recommending reconfirmation of the MSR and sphere of influence for the East Orange Water District at this time.

MOTION: Approve staff recommendations for proposed reconfirmation of the spheres of influence and municipal service reviews for selected cities and special districts: (Susan Wilson)

SECOND: Commissioner Moorlach

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

8. COMMISSION DISCUSSION AND ACTION

8a. – Southwest Anaheim Island Update

Senior Project Manager Carolyn Emery provided the Commission with an oral update regarding the unincorporated Southwest Anaheim Island. She indicated that LAFCO staff and **Chair Withers** have participated in several preliminary meetings with the City of Anaheim's staff to develop an overall annexation strategy. Ms. Emery noted the previous annexation of this island, which was approved by the Commission two years ago, was terminated by majority protest. As a result, this area remains one of Orange County's largest unincorporated islands.

In a collaborative effort with Mayor Pringle and the City of Anaheim staff, Ms. Emery stated that LAFCO staff will be mailing out an information packet to land owners within the island that will include information on the annexation process and a consent form for annexation to the City. Ms. Emery indicated that staff will group properties interested in annexation by location. Those properties that are contiguous to the City could move forward in the annexation process. Ms. Emery also noted that Supervisor Norby's office has also participated in the process.

Commissioner McCune asked what materials will be included in the information packet. Ms. Emery responded that the packet will include information describing the annexation program, purpose and strategy. She also said the packet will include a chart explaining how municipal services will change if annexation is successful and a consent form.

David Entsminger, City of Garden Grove, Water Services Manager addressed the Commission. He noted that the Garden Grove Sanitary District, a subsidiary district of the City, has completed a comprehensive assessment of the portions of their sewer system that serve the Anaheim Island. Mr. Entsminger noted that he met with Executive Officer Crosthwaite earlier in the year and left a report with her of an assessment of the study. He added that the staffs of the Cities of Anaheim and Garden Grove have also met.

Commissioner Campbell inquired on the process for assessing the condition of sewer systems. Mr. Entsminger explained that a small camera is used to survey the lines during slow peak periods. This technology provides a thorough evaluation of the sewer pipes.

8b. – Change of Meeting Date for January 2009 LAFCO Meeting

Due to the scheduling of projects, staff requested that the January 2009 meeting be cancelled. As a result, selection of officers would take place at the February 2009 meeting.

MOTION: **Approve change of meeting date for January 2009 (Susan Wilson)**

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

8c. – Rossmoor Incorporation Election Results

Assistant Executive Officer Aldrich updated the commission on the outcome of the Rossmoor Incorporation ballot issues noting that the incorporation and both utility tax measures were defeated by Rossmoor voters. Mr. Aldrich also noted that, by law, a new incorporation application for Rossmoor could not be filed for two years.

Commissioner Moorlach thanked the commission for allowing the residents of Rossmoor the opportunity to try to incorporate. **Commissioner Moorlach** expressed his appreciation of the efforts that preceded him as a supervisor and the efforts of LAFCO staff. He also noted that the County needs to do a more detailed accounting analysis of the unincorporated areas to determine whether they generate sufficient revenues to cover the true costs of County services.

Commissioner Herzog noted that fiscal viability of any incorporation should not be dependent upon the adoption of an additional tax by residents. He requested that this issue be placed on a future agenda for further Commission discussion.

8d. – 2009 LAFCO Calendar

Commissioner Moorlach noted a possible conflict with the Board of Supervisors June 2009 budget meetings. He requested that the LAFCO calendar be reviewed by the Commission for consideration at the December meeting.

9. COMMISSIONER COMMENTS

Commissioner Campbell noted ongoing discussions regarding East Orange Water District. **Commissioner Campbell** mentioned that he will be meeting with East Orange County Water District and representatives of the Cities of Orange and Tustin. He added that his goal is to ensure that residents have the best water service at a reasonable cost.

Commissioner Moorlach noted that he requested County Counsel to determine what level of service the County is required to provide to unincorporated communities. He was advised that the rules are broad, and the specific level of service is within the discretion of the Board of Supervisors.

10. INFORMATIONAL ITEMS & ANNOUNCEMENTS

Executive Officer Crosthwaite reminded the Commissioners that the sphere of influence maps included in their packets are intended as reference materials for future projects. Executive Officer Crosthwaite also informed the Commission of a conference call scheduled for Friday, November 14, 2008 at 10:00AM to discuss CALAFCO issues. She mentioned that the CALAFCOs Board had discussed issues raised by the Southern California LAFCOs, and agreed to form an ad hoc committee to explore those issues.

11. CLOSED SESSION

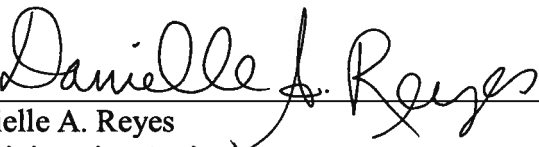
11a. – Public Employee Performance Evaluation

The Commission met in a closed session to discuss the employment of a contract analyst. There was no reportable action.

12. ADJOURNMENT

The meeting adjourned at 9:51 am.

JOHN WITHERS, Chair
Orange County Local Agency Formation Commission

By: 
Danielle A. Reyes
Administrative Assistant