



FINAL MINUTES

LAFCO REGULAR MEETING
Wednesday, August 13, 2014, 8:30 a.m.
Planning Commissioner Hearing Room, Hall of Administration
10 Civic Center Plaza, Santa Ana

1. CALL TO ORDER

Chair Carchio called the regular meeting of the Local Agency Formation Commission (LAFCO) to order at 8:38 a.m.

2. PLEDGE OF ALLEGIANCE

Commissioner John Moorlach led the Pledge of Allegiance.

3. OATH OF OFFICE - COMMISSIONER BERNSTEIN

The Oath of Office was continued to the September 10, 2014 regular meeting due to a planned absence by Commissioner Bernstein.

4. ROLL CALL

The following Commissioners and Alternates were present:

- **Chair Joe Carchio**
- **Vice Chair Pat Bates**
- **Commissioner Cheryl Brothers**
- **Commissioner Derek McGregor**
- **Commissioner John Moorlach**
- **Commissioner Charley Wilson**
- **Commissioner John Withers**

The following Commissioner was delayed:

- **Alternate Commissioner James Fisler** (arrived at 8:43 a.m.)

The following Commissioner was absent:

- **Alternate Commissioner Todd Spitzer**

The following LAFCO staff members were present:

- Executive Officer Carolyn Emery
- Assistant Executive Officer Ken Lee
- Project Manager Benjamin Legbandt
- Commission Clerk Cheryl Carter-Benjamin
- Legal Counsel Clark Alsop

**5. ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS
(Received After Agenda Distribution)**

None

6. PRESENTATIONS

The Commission and staff recognized former **Commissioner Susan Wilson** for her 17 years of service with Orange County LAFCO.

Commissioner Susan Wilson expressed her gratitude for service as a Commissioner, and commended the Commission for its contributions and accomplishments made in Orange County.

Commissioner Fisler arrived at 8:43 a.m.

7. APPROVAL OF MINUTES

July 9, 2014 - Regular Commission Meeting Minutes

The minutes were approved with no corrections.

MOTION: Approve the July 9, 2014 Regular Commission Meeting Minutes. (John Withers)

SECOND: Pat Bates

FOR: Joe Carchio, Pat Bates, Cheryl Brothers, Derek McGregor, John Moorlach, Charley Wilson, John Withers

AGAINST: None

ABSTAIN: None

MOTION PASSED

8. PUBLIC COMMENT

Chair Carchio requested public comments on any non-agenda items. There were none.

Chair Carchio closed public comments.

9. CONSENT CALENDAR

9a. - Legislative Quarterly Report

Chair Carchio called for approval of the consent calendar.

MOTION: Approve the Consent Calendar (John Withers)
SECOND: Cheryl Brothers
**FOR: Joe Carchio, Pat Bates, Cheryl Brothers, Derek McGregor,
John Moorlach, Charley Wilson, John Withers**
AGAINST: None
ABSTAIN: None

MOTION PASSED

10. PUBLIC HEARING

10a. - Carmel/Lampson Reorganization to the City of Garden Grove (RO 12-09)

Project Manager Benjamin Legbandt presented the proposed reorganization of the Carmel/Lampson unincorporated island to the City of Garden Grove. Mr. Legbandt informed the Commission that the City of Garden Grove has conveyed their support for the application but was unable to attend and provide testimony due to a scheduling conflict.

Commissioner Fisler asked who currently provides water to the City of Garden Grove. Mr. Legbandt replied that the City of Garden Grove provides retail water service to the majority of the City. Mr. Legbandt added that the Golden State Water Company provides retail water service to portions of the City of Garden Grove as well as the annexation area and would continue to provide water should the Commission approve the proposal.

Commissioner McGregor asked if the condition in Section 4b of the draft resolution relating to the conveyance of County property to the City was standard practice. Mr. Legbandt replied that the language was standard language that was added at the request of the County Department of Public Works. **Commissioner McGregor** requested that the resolution be amended to include, "including easements and/or the underlying fee title" to clarify Section 4b of the resolution.

Chair Carchio opened the public hearing.

Amber Hall, a landowner within the Carmel/Lampson Island, expressed her appreciation to the Commission for their support of the annexation to the City of

Garden Grove. Ms. Hall also introduced the other landowners in attendance Diane, Ariana, and Alexis Hall.

Carol Moore, a resident of Laguna Woods also thanked the Commission for their consideration and support of the proposal.

Chair Carchio closed the public hearing.

- MOTION:** Adopt the form of resolution approving the reorganization to the City of Garden Grove as amended; Direct staff to file the Notice of Exemption; Authorize and direct the Executive Officer to conduct protest proceedings for a 21 day protest period. (John Withers)
- SECOND:** Pat Bates
- FOR:** Joe Carchio, Pat Bates, Cheryl Brothers, Derek McGregor, John Moorlach, Charley Wilson, John Withers
- AGAINST:** None
- ABSTAIN:** None

MOTION PASSED

10b. - Sphere of Influence Reviews: Capistrano Bay Community Services District (SOI 14-03) and City of Laguna Beach (SOI 14-04)

Project Manager Benjamin Legbandt presented the staff report on the sphere of influence reviews for the Capistrano Bay Community Services District and City of Laguna Beach.

Chair Carchio opened the public hearing. There were none. **Chair Carchio** closed the public hearing.

- MOTION:** Adopt the form of resolution updating the sphere of influence for the Capistrano Bay Community Services District; Adopt the form of resolution reconfirming the sphere of influence for the City of Laguna Beach; Direct staff to file the Notice of Exemptions. (Pat Bates)
- SECOND:** Charley Wilson
- FOR:** Joe Carchio, Pat Bates, Cheryl Brothers, Derek McGregor, John Moorlach, Charley Wilson, John Withers
- AGAINST:** None
- ABSTAIN:** None

MOTION PASSED

11. COMMISSION DISCUSSION AND ACTION

11a. - Yorba Linda Unincorporated Areas

Executive Officer Carolyn Emery notified the Commission that staff had no new reportable action.

11b. - Revisions to LAFCO Public Member Appointment Guidelines

Executive Officer Carolyn Emery presented the staff report proposing additional revisions to the Public Member Appointment Guidelines to provide the Commission the ability to make appointments to both the Regular and Alternate Public Member seats at the same meeting should a vacancy occur during the appointment process.

Commissioner McGregor asked for clarification on the Guidelines as they relate to an appointment of a Public Member where the candidate is currently in public office. More specifically, he asked if the Commission would need to either make a conditional appointment subject to termination of the office the candidate is holding, or if the Guidelines should more clearly state that no candidates applying for the Public Member seat can hold an elected position at the time of application. **Commissioner Moorlach** asked for clarification on the definition of a public member. The Executive Officer and legal counsel Clark Alsop clarified definition of public member as referenced in the State statute and Commission guidelines. Executive Officer Carolyn Emery stated that each of the five individuals that have applied for the current Alternate Public Member vacant seat is either an officer or employee of the County, a city, or special district. **Commissioner Withers** commented on the value of having a Commissioner represent the interests of the public. **Commissioner Bates** stated that the five applications received should not continue in the process based on the Commission Guidelines.

The Commission discussed at length and, subsequently approved the proposed revisions to the Guidelines and confirmed that no "applicant" for the regular or alternate public member seat shall be an officer or employee of the county or any city or district with territory in the county, which is currently stated in the Commission's guidelines.

Chair Carchio opened the public hearing.

Kathryn Freshley, a resident of Laguna Woods thanked the Commission for their transparency and gave her support as a resident of Orange County.

Chair Carchio closed the public hearing.

MOTION: Adopt the revised "Guidelines for the Appointment of LAFCO's Regular and Alternate Public Members and Commissioners' Terms of Office," and confirm that no

“applicant” for the regular or alternate public member seat shall be an officer or employee of the county or any city or district with territory in the county, which is currently stated in the Commission’s Guidelines; Direct the Executive Officer to notify applicants, who at the time he or she filed an application for the Alternate Public Member seat was an officer of the County, a city, or a special district, that they are ineligible to participate in the recruitment process and reopen the application process. (John Moorlach)

SECOND: John Withers
FOR: Pat Bates, Cheryl Brothers, Derek McGregor,
John Moorlach, Charley Wilson, John Withers
AGAINST: None
ABSTAIN: Joe Carchio

MOTION PASSED

Legal Counsel Clark Alsop clarified the motion.

11c. - Comprehensive Quarterly Report

Assistant Executive Officer Ken Lee presented the staff report on the final Comprehensive Quarterly Report for FY 2013-2014 that provides an overview of LAFCO projects, a year-end budget report, and an investment report for the 4th quarter.

Commissioner Moorlach asked for an additional page to the year-end quarterly report, which shows all four quarters and a total column for comparisons.

MOTION: Receive and file the Final Comprehensive Quarterly Report for FY 2013-2014. (John Moorlach)
SECOND: Charley Wilson
FOR: Joe Carchio, Pat Bates, Cheryl Brothers, Derek McGregor,
John Moorlach, Charley Wilson, John Withers
AGAINST: None
ABSTAIN: None

MOTION PASSED

11d. - Strategic Opportunities and Work Plan for County Unincorporated Areas

Project Manager Benjamin Legbandt presented the staff report on the Strategic Opportunities and Work Plan for future annexation opportunities of County unincorporated areas.

MOTION: Receive and file the Strategic Opportunities and Work Plan for County Unincorporated Areas. (John Withers)

SECOND: Derek McGregor
FOR: Joe Carchio, Pat Bates, Cheryl Brothers, Derek McGregor,
John Moorlach, Charley Wilson, John Withers
AGAINST: None
ABSTAIN: None

MOTION PASSED

Chair Carchio moved Agenda Item 11f – LAFCO Office Relocation before Agenda Item 11e to accommodate Commissioners who have other meeting obligations.

11f. – LAFCO Office Relocation

Chair Carchio thanked the Executive Committee for their commitment, hard work, and participation during the office relocation screening process.

Assistant Executive Officer Ken Lee presented the staff report on LAFCO’s office relocation activities providing an update on the Executive Committee’s office space alternatives, evaluation process, and recommendation authorizing staff to prepare a draft lease agreement for relocation to 2677 N. Main Street, Santa Ana.

Commission Moorlach asked for clarification about the budgetary impacts of the relocation, including cost differences between LAFCO’s current office space at 12 Civic Center Plaza and the proposed office space at 2677 N. Main Street. Mr. Lee responded that, based on staff’s budget analysis, and according to budget projections previously reviewed by the Commission in May 2014, LAFCO would be able to continue to operate within the scope of those projections and relocation would not result in any direct increase in LAFCO’s cost apportionment to any of its funding agencies.

The Commission expressed support for the use of the OCTA Board Room with the preference to keep LAFCO’s current meeting date and time the same.

Commissioners Bates and Moorlach left at 10:17 a.m.

MOTION: Receive and file the report of the Executive Committee; Authorize the Executive Officer and legal counsel to prepare a draft lease agreement for consideration by the Commission at the September 10, 2014 regular meeting. (Cheryl Brothers)
SECOND: Derek McGregor
FOR: Joe Carchio, Cheryl Brothers, Derek McGregor
Charley Wilson, John Withers
AGAINST: None
ABSTAIN: None

MOTION PASSED

11e. – 2014 CALAFCO Board of Directors and Achievement Award Nominations

Chair Carchio called for a motion to approve the staff recommendations outlined in the CALAFCO report.

MOTION: Receive and file the report on the 2014 CALAFCO Board of Directors and Achievement Award Nominations; Approve the form of resolution nominating Commissioner Cheryl Brothers to the CALAFCO Board of Directors. (John Withers)

SECOND: Charley Wilson

FOR: Joe Carchio, Cheryl Brothers, Derek McGregor, Charley Wilson, John Withers

AGAINST: None

ABSTAIN: None

MOTION PASSED

Chair Carchio requested that Agenda Item 14a – Public Employee Performance Evaluation, Agenda Item 14b – Conference with Labor Negotiators, and Agenda Item 15a – Approval of Salary Adjustment be moved up on the agenda to allow time for Commission discussion.

14. CLOSED SESSION

Chair Carchio called for the Closed Session at 10:30 a.m. to address the performance evaluation of Executive Officer Carolyn Emery, including Agenda Item 14a – Public Employee Performance Evaluation and Agenda Item 14b – Conference with Labor Negotiators.

15. OPEN SESSION

The Commission reconvened in Open Session at 10:45 a.m.

MOTION: Adopt resolution approving the salary increase, performance bonus, and the amendment to the MOA for the Position of LAFCO Executive Officer for Carolyn Emery; Authorize the Chair to execute, and the Commissioner Clerk to attest. (John Withers)

SECOND: Charley Wilson

FOR: Joe Carchio, Cheryl Brothers, Derek McGregor, Charley Wilson, John Withers

AGAINST: None

ABSTAIN: None

MOTION PASSED

12. COMMISSIONER COMMENTS

There were no Commissioner comments.

13. INFORMATIONAL ITEMS & ANNOUNCEMENTS

Executive Officer Carolyn Emery reminded the Commission of the upcoming CCL quarterly meeting in Santa Ana on August 14, 2014 and the CALAFCO Annual Conference in Ontario, California from October 15 through 17.

16. ADJOURNMENT OF REGULAR COMMISSION MEETING

The meeting adjourned at 11:10 a.m.

Joe Carchio, Chair
Orange County Local Agency Formation Commission

By: _____
Cheryl Carter-Benjamin
Commission Clerk