



FINAL MINUTES

LAFCO REGULAR MEETING
Wednesday, February 5, 2014, 8:30 a.m.
Board Hearing Room, Hall of Administration
10 Civic Center Plaza, Santa Ana

1. CALL TO ORDER

Chair Joe Carchio called the Regular Meeting of the Orange County Local Agency Formation Commission (OC LAFCO) to order at 8:45 a.m.

Before moving to the regular agenda items, **Chair Carchio** asked Legal Counsel Clark Alsop to provide the Commission with an update on recent changes to State law affecting the Brown Act.

2. PLEDGE OF ALLEGIANCE

Commissioner Derek McGregor led the Pledge of Allegiance.

3. OATH OF OFFICE - LAFCO COUNTY MEMBERS

Chair Carchio noted that the Board of Supervisors had not approved annual committee assignments and asked that the matter be continued to the next regular meeting.

4. ROLL CALL

The following Commissioners and Alternates were present:

- **Chair Joe Carchio**
- **Vice Chair Pat Bates**
- **Commissioner Cheryl Brothers**
- **Commissioner John Moorlach**
- **Commissioner Susan Wilson**
- **Alternate Commissioner James Fisler**
- **Alternate Commissioner Derek McGregor**
- **Alternate Commissioner Todd Spitzer**

The following Commissioner was absent:

- **Commissioner Charley Wilson**
- **Commissioner John Withers**

The following LAFCO staff members were present:

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

5. ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS

None

6. APPROVAL OF MINUTES

January 8, 2014 - Regular Commission Meeting Minutes

The minutes were approved with revisions.

MOTION: Approve the January 8, 2014 Regular Commission Meeting Minutes with revisions. (Cheryl Brothers)

SECOND: John Moorlach

FOR: Joe Carchio, Pat Bates, Cheryl Brothers, James Fisler, John Moorlach, Susan Wilson

AGAINST: None

ABSTAIN: None

MOTION PASSED

7. PUBLIC COMMENT

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

Chair Joe Carchio closed public comments.

8. CONSENT CALENDAR

None

9. PUBLIC HEARING

None

10. COMMISSION DISCUSSION AND ACTION

10a. - Yorba Linda Unincorporated Areas

Commissioner Spitzer provided the Commission with an update on the Cielo Vista and Esperanza Hills projects, noting that the public review and comment period for the draft environmental documents had closed. Commissioner Spitzer added that the City of Yorba Linda had requested an additional two weeks to allow the developer to receive additional comments due to the timing of the comment period coinciding with the holiday season.

Commissioner Spitzer asked the Executive Officer to reengage LAFCO in the discussion now that the preliminary environmental reviews of the projects are complete. The Executive Officer replied that the Esperanza Hills project was on hold and that LAFCO was ready to participate in future discussions. **Commissioner Spitzer** also asked that LAFCO participate in a town hall meeting tentatively scheduled for March 2014 to provide a description of LAFCO and address resident questions related to potential annexation of the development areas to the City.

10b. - Next Level of the Shared Services and Fiscal Trends Programs

Project Manager Benjamin Legbandt presented the staff report on the proposed efforts to expand the Shared Services and Fiscal Trends web-based programs.

Commissioner Susan Wilson commented on the programs' unique capabilities as resources for local agencies and asked how staff was prepared to address any future stakeholder concerns related to the Fiscal Trends program. The Project Manager replied that staff is recommending reengaging stakeholders through working group discussions to ensure stakeholder input is received throughout the process. **Commissioner Moorlach** stated that financial data is publicly available and LAFCO's Fiscal Trends program is a tool to help facilitate the discussion among municipalities on how to monitor fiscal health.

Commissioner Bates asked the Executive Officer on the status of the fiscal model being prepared for the South Orange County Governance Visioning Process and participation from the Ladera Ranch Civic Council. The Executive Officer replied that the fiscal model was near completion and stakeholder discussions for the Rancho Mission Viejo Study Area would include representatives of Ladera Ranch Civic Council beginning late March. The Executive Officer noted that the Civic Council had postponed its own governance outreach to the community until completion of the stakeholder discussions with LAFCO. Ms. Emery added that each community and agency was asked to identify a representative to participate in the stakeholder discussions.

Commissioner Fisler asked the Project Manager for clarification on optimal service areas. Mr. Legbandt noted that staff was continuing to explore the concept and would provide additional information on the effort at the Strategic Planning Session.

Commissioner McGregor asked who would participate in the Shared Services and Fiscal Trends working groups. The Project Manager replied that staff would seek out volunteers from the cities, special districts and the County and noted that the prior Fiscal Trends working group consisted of finance officers from several special districts and cities.

- MOTION:** Receive and file the staff report on the next level of the Shared Services and Fiscal Trends programs; discuss potential “next level” opportunities; and direct staff to provide an update at the March 14, 2014 Strategic Planning Session. (Susan Wilson)
- SECOND:** John Moorlach
- FOR:** Joe Carchio, Pat Bates, Cheryl Brothers, James Fisler
John Moorlach, Susan Wilson
- AGAINST:** None
- ABSTAIN:** None

MOTION PASSED

10c. - Legislative Quarterly Report (February 2014)

Project Manager Benjamin Legbandt presented a report on proposed 2014 legislation and other legislative activities of interest to LAFCO.

- MOTION:** Receive and file the February 5, 2014 Legislative Quarterly Report; direct staff to distribute the report to the County and each city and special district. (John Moorlach)
- SECOND:** Susan Wilson
- FOR:** Joe Carchio, Pat Bates, Cheryl Brothers, James Fisler
John Moorlach, Susan Wilson
- AGAINST:** None
- ABSTAIN:** None

MOTION PASSED

10d. - Comprehensive Quarterly Report

Executive Officer Carolyn Emery presented the staff report on the comprehensive quarterly report on LAFCO projects currently underway or completed, and a quarterly budget update for FY 2013-2014.

MOTION: Receive and file the February 5, 2014 Comprehensive Quarterly Report. (John Moorlach)
SECOND: Susan Wilson
FOR: Joe Carchio, Pat Bates, Cheryl Brothers, James Fislser, John Moorlach, Susan Wilson
AGAINST: None
ABSTAIN: None

MOTION PASSED

10e. - Unincorporated Islands Annexation Priorities

Executive Officer Carolyn Emery presented the staff report on the prioritization of the remaining unincorporated islands.

Commissioner Bates asked how the County's effort to understand revenues and expenditures in unincorporated areas of the County related to LAFCO's prioritization of islands. Executive Officer Carolyn Emery replied that LAFCO has worked closely with the County's Chief Financial Officer, Frank Kim, and added that the next steps for the prioritization would include city meetings to gauge interest and coordination of financial information with County staff.

Commissioner Bates asked if the title could be revised from "Unincorporated Islands Annexation Priorities" to "Unincorporated Islands Annexation Opportunities" with the Commission observing that the islands present future opportunities.

Commissioner Moorlach asked that the Executive Officer invite the County's Chief Financial Officer, Frank Kim, to speak to the Commission at the Strategic Planning Session on the County's effort to provide cost and revenue accounting for the unincorporated islands.

MOTION: Receive and file the report on the Unincorporated Islands Annexation Priorities; direct staff to provide a six-month update at the August 6, 2014 regular meeting. (John Moorlach)
SECOND: Susan Wilson
FOR: Joe Carchio, Pat Bates, Cheryl Brothers, John Moorlach, Susan Wilson
AGAINST: None
ABSTAIN: None

MOTION PASSED

11. COMMISSIONER COMMENTS

None

12. INFORMATIONAL ITEMS AND ANNOUNCEMENTS

12a. - Coalition of California LAFCOs (CCL) Annual Summit

Commissioner Brothers provided the update on the Annual CCL Summit held January 27, 2014 and her appointment as the new CCL Treasurer. The next CCL meeting will take place at the Santa Ana Train Station, April 21, 2014, 9:00 a.m. to 1:00 p.m.

12b. - Staff Recruitment Update

Executive Officer Carolyn Emery announced that the staff recruitment was completed and presented Ken Lee as the new Assistant Executive Officer.

12c. - 2014 LAFCO Strategic Planning Session

The Commission was reminded of the Strategic Planning Session scheduled for March 14, 2014 at the Santa Ana Police Department, Community Room, 60 Civic Center Plaza at 9:00 a.m., with a light breakfast starting at 8:30 a.m.

13. CLOSED SESSION

None

14. ADJOURNMENT OF REGULAR COMMISSION MEETING

The meeting adjourned at 10:34 a.m.

Joe Carchio, Chair
Orange County Local Agency Formation Commission

By: _____
Cheryl Carter-Benjamin
Commission Clerk