



FINAL MINUTES

ANNUAL STRATEGIC PLANNING SESSION

AGENDA

Friday, March 20, 2015

9:00 a.m. - 12:00 p.m.

Orange County Transportation Authority
First Floor - Boardroom
600 South Main Street, Orange, CA 92868

1. CALL TO ORDER

Chair McGregor called the Annual Strategic Planning Session of the Orange County Local Agency Formation Commission (OC LAFCO) to order at 9:00 a.m.

2. PLEDGE OF ALLEGIANCE

Commissioner James Fisler led the Pledge of Allegiance.

3. OATH OF OFFICE - COMMISSIONER FRESHLEY

Commission Clerk Cheryl Carter-Benjamin administered the Oath of Office to **Commissioner Freshley**.

4. ROLL CALL

The following Commissioners and Alternates were present:

- **Chair Derek J. McGregor**
- **Vice Chair John Withers**
- **Commissioner Lisa Bartlett**
- **Commissioner Allan Bernstein**
- **Commissioner Charley Wilson**
- **Alternate Commissioner Andrew Do**
- **Alternate Commissioner James Fisler**
- **Alternate Commissioner Kathryn Freshley**

The following Commissioner was delayed:

- **Commissioner Cheryl Brothers** (arrived at 9:10 a.m.)

The following Commissioner was absent:

- **Commissioner Todd Spitzer**

The following LAFCO staff members were present:

- Executive Officer Carolyn Emery
- Project Manager Benjamin Legbandt
- Policy Analyst Carolyn Jones
- Commission Clerk Cheryl Carter-Benjamin
- Legal Counsel Scott Smith

5. ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATIONS

None

6. APPROVAL OF MINUTES

February 11, 2015 - Regular Commission Meeting Minutes

The minutes were approved with no revisions.

MOTION: Approve the February 11, 2015 Regular Commission Meeting Minutes. (John Withers)

SECOND: Charley Wilson

**FOR: Derek J. McGregor, John Withers, Lisa Bartlett,
Allan Bernstein, Andrew Do, Charley Wilson**

AGAINST: None

ABSTAIN: None

MOTION PASSED

7. PUBLIC COMMENT

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

Chair McGregor closed public comments.

Commissioner Brothers arrived at 9:10 a.m.

8. COMMISSION DISCUSSION AND ACTION

8a. 2015 LAFCO Strategic Planning Session

Executive Officer Carolyn Emery provided an overview on the purpose of the strategic plan.

Commissioner Freshley asked if the preparation of the strategic planning session included future oriented visioning to monitor progress of annual goals with the long-term goals and if staff had identified specific objectives with timelines as part of today's discussion.

Ms. Emery replied that a work plan with milestones for key projects would be developed in response to the Commission's discussion at the strategic planning session and that each annual work plan varies based on the number of mandated and Commission initiated projects. **Chair McGregor** added that some of the high level goals are long range directives (2-5 years) and will be based on the discussion that will occur today.

- 2014-2015 Work Plan Accomplishments

Ms. Emery continued with OC LAFCO's notable achievements during the past year and highlighted the agency projects completed and underway for FY 2014-2015.

Commissioner Wilson asked for examples of specific accomplishments for CCL and CALAFCO. The Executive Officer replied that participation as a member of the CALAFCO Legislative Committee and CCL allows OC LAFCO staff to be directly involved in the review and drafting of legislation and other activities affecting and of interest to Orange County and the southern region.

Commissioner Brothers added that the southern region's representation on CALAFCO is particularly meaningful since the restructuring of the Executive Board composition several years ago. Project Manager Ben Legbandt noted the value of CCL among the southern region in providing educational opportunities for Commissioners and staff and partnering with other organizations such as CSAC, CSDA, the League of California Cities, and the Institute for Local Government.

Chair McGregor asked if the islands task force was still in place. Ms. Emery replied that it was not, but noted that the guiding principles developed by the task force continue to be utilized and provide a successful framework for

discussions among staff from LAFCO, the County and cities regarding future island annexation opportunities.

Chair McGregor commented that there may be a need to reevaluate projects that were assigned a low priority in the last fiscal year. The **Chair** noted that the Public Engagement program should be assigned a higher priority based on the needs of several active projects to keep the public informed.

Ms. Emery closed her presentation on the work plan accomplishments by summarizing how projects were completed in line with the approved budget.

- **Key Project Opportunities for FY 2015-2016**

Executive Officer Emery gave a presentation on key projects for FY 2015-2016 for Commission consideration and inclusion in the proposed work plan.

Unincorporated Islands Program

Commissioner Freshley asked about the progress of the unincorporated islands. The Executive Officer responded that the Commission has provided leadership, with staff taking the lead and working closely with the County Board of Supervisors and the County's Chief Financial Officer and staff, to gather and provide accurate information for the cities to understand the differences in service costs between city and county. **Commissioner Brothers** added that the difference in service costs between the city and county often correspond with the difference in service levels.

Vice Chair Withers asked about the sunset date on small island legislation regarding the removal of protest proceedings to streamline the process. Ms. Emery responded that the sunset date has been removed. **Vice Chair Withers** further noted the importance of the small island legislation and asked that staff provide the acreage for each island. Ms. Emery responded that island acreages would be added to the unincorporated islands work plan. **Commissioner Do** noted a discrepancy in the number of islands referenced in the presentation versus the numbers in the report. Ms. Emery acknowledged the error and stated that the correction would be made to the final presentation.

Ms. Emery stated that **Commissioner Spitzer** will provide an update on the Yorba Linda project at a future meeting. Ms. Emery noted that the current annexation application is expected to move forward and that LAFCO staff has been asked to assist in the development of a pre-annexation agreement to help move annexation discussions forward.

South Orange County Governance and Visioning Process

Project Manager Ben Legbandt summarized the efforts over the past year, noting that much of the success could be attributed to the new approach and commitment that LAFCO adopted. Specifically, LAFCO did not come into the discussions with preconceived ideas of what future governance should look like and that discussions remain data driven informing stakeholders of short and long-term governance options.

Commissioner Bartlett provided the Commission with an update on discussions she had with Rancho Santa Margarita and the surrounding communities and added that she had upcoming meetings with other stakeholders. The Executive Officer added that based on the feedback from one stakeholder group, the Commission would have a role in reevaluating the current study areas and adjacent cities' sphere of influence.

Collaborative Service Delivery - "Shared Opportunities"

Policy Analyst Carolyn Jones presented opportunities for the Commission to continue a leadership role in encouraging agencies to discuss collaborative service delivery. She highlighted proposed efforts such as the "Orange Pages" and using OC LINC as a resource to build partnerships and encourage agency collaborations. Ms. Jones also spoke to the importance of updating the current web platform that supports the Shared Services Program to increase use and value of the program as well as address other issues, such as program stability and security protection. **Vice Chair Withers** and **Commissioner Brothers** asked staff to add a resource that LAFCO can share with agencies on obstacles agencies face in collaborative service delivery. The Executive Officer added that one opportunity may be for LAFCO to facilitate focus groups based on the surveys received from the Collaborative Services Summit. The focus groups may include the pros and cons of shared services and other obstacles, such as associated legal challenges.

Legal Counsel Scott Smith spoke to potential legal challenges and specifically pointing out joint power agreements and agencies and how they may be set up to avoid certain pitfalls involved in sharing of services.

Fiscal Trends Program

Executive Officer Carolyn Emery presented an overview on the development of the program and its use as a resource for local agencies while addressing a state mandate to review the financial ability of agencies to provide services. Staff is recommending that this program be a key project this year with improvements to make the program more useful and valuable to agencies and the MSR process.

Commissioner Do asked about the purpose in the development of the Fiscal Trends Program. Ms. Emery replied that the Program uses eight indicators to assist cities and special district with a broad depiction of their fiscal health. **Commissioner Do** asked staff to review how the program assists the Commission in fulfilling the requirement to complete municipal service reviews. Mr. Legbandt responded that the Program provides trending of various indicators, but does not provide analysis of the financial ability of each agency to provide services. **Commissioner Do** suggested that if the Commission is to continue to provide resources to the Fiscal Trends Program that we make sure the program is clear in how it satisfies the legislative mandate.

Vice Chair Withers left at 11:00 a.m.

Municipal Service Reviews 4th Cycle

Executive Officer Carolyn Emery described the development of a roadmap for successful completion of the fourth round of MSRs for the County's 34 cities and over 30 special districts and how the proactive approach would streamline the MSR process during the upcoming cycle, which will begin in 2018.

Legislative Advocacy and Affairs

Executive Officer Carolyn Emery described the effort to inform cities, special districts, elected officials, assembly members and senators of LAFCO's legislative advocacy. Ms. Emery added that the legislative advocacy efforts would also focus on a review and potential revisions of the Commission's legislative guidelines to bring the policy up-to-date and align with current law and ongoing efforts of the Commission.

Chair McGregor asked if legal counsel needs to review LAFCOs current policies on legislation to align with current amended legislative policies. Ms. Emery agreed on the need for legal counsel to review these policies and also noted that revisions have not been made to the policy since 1999 and that review by legal counsel would ensure consistency with state law.

Administrative Projects

Executive Officer Carolyn Emery described the need for a comprehensive update on each policy to reflect recent changes to State and federal laws. Ms. Emery added that updates to the Commission's iPad and website may also be necessary to maintain communication with Commissioners and to inform local agencies and the public of the Commission's key projects and activities.

- General comments provided by the Commission regarding the LAFCO's Key Projects for FY 2015-2016
 - Identify high level organizational goals that align with legislative mission and LAFCOs legal authority.
 - Completion of mandated projects should remain a priority.
 - Updating LAFCO technology and communications resources is important. The LAFCO website is a major resource to local agencies and the public and it should be informative and user friendly.
 - Commission staffing and resources involving CALAFO and CCL should be balanced. It is important for OC LAFCO to have a seat at the table regarding legislation and issues affecting the southern region. Focus on projects that have potential to be completed during the year - commit resources to successes.

MOTION: Receive and file the 2015 OC LAFCO Strategic Plan and direct staff to prepare the proposed FY 2015-2016 work plan and proposed budget for Commission consideration at the April 8, 2015 LAFCO Regular Meeting. (Allan Bernstein)

SECOND: Charley Wilson

FOR: Derek J. McGregor, Lisa Bartlett, Allan Bernstein, Cheryl Brothers, Andrew Do, Charley Wilson

AGAINST: None

ABSTAIN: None

MOTION PASSED

9. COMMISSIONER COMMENTS

Chair McGregor thanked the Commission for his appointment and provided his thoughts on his goals as LAFCO Chair and role of the Commission:

- In partnership with the Commission and staff, use the strategic plan as a roadmap for accomplishing agency goals and projects;
- Assist staff in the development of manageable agendas and facilitate organized meetings;
- Expectations of Commissioner preparation for the meetings;
- Commission should generally operate within its authority while being open to reviewing and evaluating information and data accordingly, with no predetermined assumptions;
- Encourage Executive Officer to play larger role in facilitation of meetings

10. INFORMATIONAL ITEMS AND ANNOUNCEMENTS

Chair McGregor provided a summary on the informational items and asked for any discussion from the Commission.

10a. - April 8, 2015 Regular Commission Meeting

10b. - LAFCO Ethics Training

10c. - Commissioner 700 Forms

11. ADJOURNMENT OF REGULAR COMMISSION MEETING

The meeting adjourned at 11:50 a.m.

Derek J. McGregor, Chair
Orange County Local Agency Formation Commission

By: _____
Cheryl Carter-Benjamin
Commission Clerk