

# 2015-2016 OC LAFCO WORK PLAN UPDATE

ATTACHMENT A

(Approved: April 8, 2015; Revised: March 18, 2016)

OC LAFCO is required by statute to fulfill legal mandates by processing proposed changes of organization (“mandated projects”) filed by affected agencies or property owners. Additional mandated projects filed during FY 2015-2016 will be added to the work plan.

Project	Description	Status	Comments
<b>Costa Mesa Sanitary District Annexation</b>	Potential annexation of five properties located in the City of Newport Beach for sanitary sewer service.	Underway	Staff has participated in recent discussions with District and provided GIS and annexation process information to assist with moving project forward.
<b>EOCWD Reorganization for Local Sewer Service</b>	Proposed application to provide local sewer service in the area commonly referred to as “Service Area 7.”	Underway	Application filed on March 23, 2014 by EOCWD for the activation of latent powers to provide local sewer service to OCSD Service Area 7. The District participated as a stakeholder in the Focused MSR, which was approved by the Commission on September 9, 2015. The public hearing for EOCWD’s proposal was continued to allow the competing application from IRWD to be completed. The competing proposals are expected to be heard by the Commission at the April 13, 2016 regular meeting.
<b>Esperanza Hills Annexation to the City of Yorba Linda</b>	Proposed annexation of the Esperanza Hills development to the City of Yorba Linda.	Underway	Discussions regarding a pre-annexation agreement are underway involving the City, County and the developer. Staff provided comments to the draft pre-annexation agreement to help ensure adequacy for future LAFCO action.

## MANDATED PROJECTS - CONTINUED

Project	Description	Status	Comments
<b>Focused Municipal Service Review for Orange County Sanitation District (OCSD) Service Area 7</b>	Municipal Service Review (MSR) to review local sewer service alternatives for specific areas currently served by OCSD. Stakeholder process included the Cities of Tustin and Orange, EOCWD, IRWD, and OCSD.	<b>Complete</b>	Staff completed a focused MSR to review the projected costs, levels of service, and alternative service providers for OCSD Service Area 7. The Commission received and filed the MSR report and adopted the statement of determinations on September 9, 2015.
<b>La Habra Islands Potential Transfer of Water Service</b>	Potential transfer of retail water service from private water company and annexation of remaining unincorporated islands to the City of La Habra.	<b>Underway</b>	City has filed an application for an Out-of-Agency Service Agreement to assume the retail water system and services from California Domestic Water Company in the islands. City, County, and LAFCO staffs are actively discussing annexation of the City's six remaining islands. Negotiations regarding infrastructure improvements involving the County and City are ongoing.
<b>Meyer Reorganization to the City of Anaheim</b>	Proposed reorganization involving the detachment of approximately 395 sq. ft. from the City of Orange and concurrent annexation of the same territory to the City of Anaheim. The purpose of the proposal is to facilitate future development of territory located adjacent to the Ponderosa Travel Trailer Park, west of N. Manchester Avenue and north of W. Compton Avenue.	<b>Underway</b>	The proposal was continued in November 2015 to allow City to complete additional environmental review. City has since adopted required CEQA documents and proposal will be heard by the Commission on April 13, 2016.

## MANDATED PROJECTS - CONTINUED

Project	Description	Status	Comments
<b>Sphere of Influence Update and Annexation of OCSD Service Area 7 to Irvine Ranch Water District</b>	IRWD has submitted a conflicting application with the EOCWD proposal to provide local sewer service in the area commonly referred to as "Service Area 7."	<b>Underway</b>	IRWD filed an application for sphere of influence amendment and annexation for OCSD Service Area 7 on March 23, 2015. The District participated as a stakeholder in the EOCWD focused MSR, which was approved by the Commission on September 9, 2015. The conflicting IRWD and EOCWD proposals are expected to be heard by the Commission at the April 13, 2016 regular meeting.
<b>Cielo Vista Project located within the City of Yorba Linda Sphere of Influence</b>	Potential annexation of the Cielo Vista development to the City of Yorba Linda.	<b>Underway</b>	County EIR process moving forward for Cielo Vista project. LAFCO staff requested to participate in meetings of planning commission. Staff plans to also provide comments to pre-annexation agreements and/or other documents to ensure adequacy for future LAFCO action.
<b>City of Orange Detachment of Open Space</b>	Proposed detachment of territory that has been dedicated as permanent open space.	<b>Underway</b>	The City is expected to submit an application for detachment of territory known as East Orange Planning Area that was recently dedicated as permanent open space and gifted to the County for preservation. The City has indicated that the application will be submitted this fall to coincide with an upcoming General Plan amendment.

## MANDATED PROJECTS - CONTINUED

Project	Description	Status	Comments
<b>City of San Juan Capistrano Transfer of Water, Sewer &amp; Storm water Services</b>	Potential transfer of water, sewer, and storm water protection services to a successor agency.	<b>Underway</b>	Staff has participated in preliminary meetings with Council members, staff, and legal counsel to discuss LAFCO's role, process and application requirements.
<b>Rossmoor CSD Activation of Latent Powers</b>	Potential activation of latent power to provide police and animal control services.	<b>On-hold</b>	Staff informed that District is not interested in moving forward at this time.
<b>Sphere of Influence (SOI) Update for City of Laguna Woods</b>	SOI application filed by the City of Laguna Woods to remove approximately six acres of uninhabited territory designated as open space from the City's SOI.	<b>Complete</b>	Approved by the Commission on August 12, 2015.
<b>Orange County Sanitation District Annexation (Yorba Linda)</b>	Potential annexation of properties located in the City of Yorba Linda that are connected to sewer but not within the District's boundary.	<b>New</b>	Staff is meeting with District representatives in late March to discuss the annexation process.
<b>Orange County Sanitation District Annexation (Anaheim)</b>	Potential annexation of properties located in the City of Anaheim that are connected to sewer but are not within the District's boundary.	<b>New</b>	Staff is meeting with District representatives in late March to discuss the annexation process.

## COMMISSION-INITIATED PROJECTS

OC LAFCO has provided a key leadership role in Orange County through proactive and innovative initiatives to address municipal service needs, opportunities, and potential reorganizing of local governance structures. The Commission can continue to facilitate cooperation and collaboration with Orange County local agencies and communities over the next year through the following key projects.

Project	Description	Proposed Milestones	Staff Assigned	Status
<p><b>County Unincorporated Areas</b></p>	<p>Re-engage effort to identify and proactively facilitate discussions of the streamlined process for annexation opportunities and municipal service delivery opportunities for remaining county unincorporated areas.</p>	<p>The following are underway as part of the Unincorporated Areas Work Plan approved by the Commission on April 8, 2015:</p> <ol style="list-style-type: none"> <li>1. Continued working with the County on updating of revenues and expenditures for remaining unincorporated islands.</li> <li>2. Updating of demographical data and fiscal profiles for each unincorporated area.</li> <li>3. Began discussions with Cities of Costa Mesa, Fountain Valley, La Habra, Orange, and Santa Ana regarding annexation. Costa Mesa, Orange and Santa Ana not interested in annexation at this time.</li> </ol>	<p>Executive Officer</p> <p>Policy Analyst</p>	<p><b>Underway</b></p>

## COMMISSION-INITIATED PROJECTS - CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Status
<p style="text-align: center;"><b>South Orange County Future Governance</b></p>	<p>Continue proactive facilitation and coordination of stakeholder effort to establish short, mid and long-term options for future governance for the developed and developing unincorporated South Orange County communities.</p>	<ul style="list-style-type: none"> <li>• Prepare South Orange County Visioning Process Report to Commission</li> <li>• Establish one South Orange County Study Area that includes all developed and developing unincorporated communities for purposes of ongoing discussions on overlapping issues related to short, mid, and long-term governance options.</li> </ul>	<p>Executive Officer</p> <p>Assistant Executive Officer</p> <p>Project Manager</p>	<p><b>Underway</b> <b>(to be presented at May 11, 2016 meeting)</b></p> <p><b>Underway</b></p>

## COMMISSION-INITIATED PROJECTS - CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Status
<b>Collaborative Service Delivery – “Shared Opportunities”</b>	Increase awareness of the Shared Services Program and facilitate forums and working groups that encourage local and regional collaborations and discussions on shared services opportunities, challenges and benefits.	<ul style="list-style-type: none"> <li>Began comprehensive outreach program that includes gathering of data for use in Municipal Service Reviews and Shared Services Web Program</li> </ul>	Executive Officer	<b>Underway</b>
		<ul style="list-style-type: none"> <li>Update the Shared Services Web Program to ensure user-friendly platform and compatibility with newly added components</li> </ul>	Assistant Executive Officer  Student Intern	<b>Completed</b>
<b>Fiscal Trends Program</b>	Proactive effort to increase the use of the fiscal trends program for Municipal Service Reviews and improve the value of the program for use by local agencies to assess fiscal health and internal restructuring opportunities.	<ul style="list-style-type: none"> <li>Began update fiscal trends program with agency audited financial data for FY 2013-2014.</li> </ul>	Executive Officer  Project Manager  Student Intern	<b>Underway</b>

# COMMISSION-INITIATED PROJECTS - CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Project Timelines
<p style="text-align: center;"><b>Municipal Service Reviews – Preparing for “4<sup>th</sup>” Cycle</b></p>	<p style="text-align: center;">Development of roadmap for the successful completion of municipal service reviews for 4<sup>th</sup> cycle (2018-2022).</p>	<p>Stage I:</p> <ol style="list-style-type: none"> <li>1) Develop a strategic approach to conducting municipal service reviews (e.g., geographically, service focus, agency-by-agency, countywide).</li> <li>2) Develop the MSR work plan that will outline the following:               <ol style="list-style-type: none"> <li>a. Outreach program involving County, cities, special districts, and communities to inform them of the MSR 4<sup>th</sup> cycle effort and process.</li> <li>b. Prioritization of agencies and services to undergo MSR reviews.</li> <li>c. Approach to integrating the Commission’s existing programs (e.g., Fiscal Trends, Shared Services, Demographic Trends, Public Engagement, etc.) into MSR effort.</li> </ol> </li> <li>3) Development of report templates and charts to streamline the data collection and analysis portions of the MSR report process.</li> </ol> <p>Stage II is expected to occur in FY 2016-2017 and will involve specific timelines for conducting MSRs.</p>	<p style="text-align: center;">ALL STAFF</p>	<p style="text-align: center;"><b>Outreach to cities/special districts currently underway. Proposed milestones have been revised to be discussed as component of 2016-2017 Work Plan.</b></p>



## COMMISSION-INITIATED PROJECTS – CONTINUED

Project	Description	Proposed Milestones	Staff Assigned	Status
<b>SB 88 – Inventory &amp; Assessment of Water Provision to Disadvantaged Communities</b>	Budget Trailer Bill -- Consolidations of water systems within disadvantaged communities where the, water supply is not adequate and/or safe.	Complete initial assessment and inventory of disadvantaged communities and agencies affected by the trailer bill. Other milestones will be identified as needed.	Assistant Executive Officer  Policy Analyst	<b>Begin April 2015</b>
<b>Legislative Affairs</b>	Monitor legislation and activities related to LAFCO's mission, the County of Orange and southern region.	Continued participation in the following: ➤ CALAFCO Legislative Committee Member ➤ CSDA Feedback Team ➤ Orange County Legislative Coordinators Group  Commission adopted positions of 11 bills of LAFCO-interest.	Legislative Ad Hoc Committee  Executive Officer  Policy Analyst	<b>Ongoing</b>
<b>Coalition of California LAFCOs (CCL)</b>	Continue membership in CCL, attend meetings and workshops, and continue participation in the two CCL subgroups: Clerks Working Group and GIS/IT Working Group.	Continued to participate in the regional collaborative efforts of 6 southern LAFCOs. Provide officer leadership as CCL Treasurer and administrative support as needed.	Commissioner Brothers  ALL STAFF	<b>Ongoing</b>
<b>CALAFCO</b>	Continue membership with CALAFCO, attend staff workshops and conferences, and participate in CALAFCO's Legislative Committee.	Continued participation in the following: ➤ CALAFCO Executive Board ➤ CALAFCO Legislative Committee Member ➤ CALAFCO staff workshop and annual conference	Commissioner Brothers  ALL STAFF	<b>Ongoing</b>

## ADMINISTRATIVE PROJECTS

The following internal efficiencies support administrative and organizational effectiveness and proactive outreach to our funding agencies and the public. These projects involve statutory requirements.

Project	Description	Status	Comments
<b>Annual Budget</b>	Preparation of LAFCO's annual budget (2015-2016).	<b>Complete</b>	Draft and final budgets approved by Commission on the April 8, 2015 and May 13, 2015 respectively.
<b>Annual Audit</b>	Preparation of annual audited financial statements and presentation of Auditor's report.	<b>Complete</b>	Staff worked collaboratively with accountant, bookkeeper and independent auditor on preparation of the FY 2014-15 audited financial statements. The Commission received and filed the audited financial statements at the November 2015 hearing.
<b>Comprehensive Quarterly Reports</b>	Preparation of quarterly reports that provide the Commission an overview of LAFCO projects, which are underway or completed, and an update on the financial performance of the agency's current budget and investment portfolio.	<b>Ongoing</b>	Quarterly reports for FY 2015-16 completed in Nov. '15 and Feb '16. Additional reports will be presented at the May '16 and Aug. '16 meetings.
<b>Legislative Quarterly Reports</b>	Preparation of quarterly reports for the Commission.	<b>Ongoing</b>	Legislative reports for FY 2015-16 completed in Nov. '15 and Feb '16. Additional reports will be presented at the May '16 and Aug. '16 meetings.
<b>LAFCO Records Systems and Projects Database</b>	Continuous improvements to LAFCO's electronic and hardcopy records retention and retrieval systems. Creation and implementation of MS Access database of LAFCO projects for customized queries and reports.	<b>Underway</b>	Phase I will include updating and integrating current project records with archive database (MS Access) by August 2015.  Phase II will include improvements to archival system for all LAFCO projects dating back to 1964.

