



Municipal Service Review &  
Sphere of Influence Study  
Northwest Orange County  
July 18, 2007



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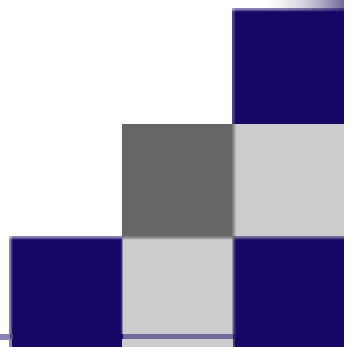
## ACRONYMS

AF	Acre foot
AF/YR	Acre feet per year
ALS	Advanced Life Support
BLS	Basic Life Support
CCF	Hundred cubic feet
CIP	Capital Improvement Plan (or Program)
CPUC	California Public Utilities Commission
FY	Fiscal Year
LAFCO	Local Agency Formation Commission
MSR	Municipal Service Review
MWDOC	Municipal Water District of Orange County
N/A	Not available
OCFA	Orange County Fire Authority
OCPL	Orange County Public Library
ONTRAC	Orange North-American Trade Rail Access Corridor
OCSD	Orange County Sanitation District
OCWD	Orange County Water District
PERS	Public Employees Retirement System
SFF	Structural Fire Fund
SOI	Sphere of Influence
UWMP	Urban Water Management Plan



# Section 1:

## EXECUTIVE SUMMARY





# EXECUTIVE SUMMARY

## A. Background

In 1997, the State Legislature convened a special commission to study and make recommendations to address California's rapidly accelerating growth. The Commission on Local Governance for the 21<sup>st</sup> Century focused their energies on ways to empower the already existing County LAFCOs, originally established in 1963. One of the major new responsibilities of LAFCO is to conduct regional studies of municipal services (Municipal Service Reviews, or MSR) every five years. MSR are a way to assist agencies and residents by: (1) evaluating existing municipal services, and (2) identifying any future constraints or challenges that may impact service delivery in the future. MSR are a prerequisite for completion of sphere of influence studies.

The agencies and communities addressed by this MSR are shown in *Figure ES.1* and include:

- City of Buena Park
- City of Cypress
- City of Fullerton
- City of La Habra
- City of La Palma
- City of Placentia

The MSR report and Sphere of Influence Study, which is a LAFCO document, is not intended to comprehensively analyze service provision, finances and government structure options but rather to present a "high level" overview of the issues.



## B. MSR Summary

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCO review municipal services before updating the spheres of influence and to prepare a written statement of determination with respect to each of the following:

- 1) Infrastructure needs or deficiencies;
- 2) Growth and population projections for the affected area;
- 3) Financing constraints and opportunities;
- 4) Cost avoidance opportunities;
- 5) Opportunities for rate restructuring;
- 6) Opportunities for shared facilities;
- 7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
- 8) Evaluation of management efficiencies; and
- 9) Local accountability and governance.

The MSR process does not require LAFCO to initiate changes of organization based on service review findings; it only requires that LAFCO make determinations regarding the provision of public services per Government Code Section 56430. MSRs are not subject to the provisions of the California Environmental Quality Act (CEQA) because they are only feasibility or planning studies for possible future action that LAFCO has not approved (Cal. Pub. Res. Code § 21150). The ultimate outcome of conducting a service review, however, may result in LAFCO taking discretionary action on a change of organization or reorganization.

The study area addressed in this report generally includes the Northwest Orange County area that shares the Los Angeles County boundary from the southern boundaries of the City of Cypress traveling north to include the City of La Habra, and east for the City of Placentia. The focus area also reviews the provision of municipal services provided by the County of Orange to several unincorporated areas adjacent to the cities of Buena Park, La Habra, and Placentia. The Northwest Orange County focus area is essentially built out and moderate growth in the area over the next 15 to 20 years is anticipated.

With the exception of one determination (Government Structure Options), no significant issues were noted in the MSR. Each agency appears to provide efficient and cost effective services to its population. Like other municipalities, some of the



Northwest MSR agencies face fiscal challenges, but each is committed to maintaining current levels of service to its population. The cities appear to operate with a high degree of transparency and use a variety of means to increase local accountability and governance.

Governance structure options for the Northwest Orange County focus area represent a major component of this MSR report. While identifying and evaluating potential government structure options is one of the nine determinations LAFCO must consider, it is important to note that neither the LAFCO nor the affected agencies are required to adopt or implement any of the potential governance structure options identified. Rather the governance options discussed should be seen as a roadmap to future discussions. Potential governance structure options discussed within the report are as follows:

- **Orange/Los Angeles County Boundary**  
The Orange/Los Angeles County shared boundary for the Northwest Orange County MSR focus area includes 11 cities located in the respective counties. There have been past discussions regarding realignment of the shared boundary to improve on the delivery of services to residents. Several potential options throughout the focus area were raised during the MSR that may result in a more logical boundary between the two counties. However, any option would need to be explored further with all affected agencies. It is worth mentioning that LAFCO does not have the authority to change county boundaries. This authority rests with the Board of Supervisors from each jurisdiction.
- **Current Boundaries and Sphere Options**  
Within the Cities of Buena Park, Cypress, and La Palma, there is potential for county boundary adjustments along the border shared by Orange and Los Angeles Counties. The subjects of the potential adjustments involve unincorporated territory, more efficient delivery of services, and clarity of service provision within these areas. At this time, staff is recommending that the existing spheres of influence for the Cities of Buena Park, Cypress, Fullerton, La Habra, La Palma, and Placentia be affirmed. However, staff also recommends that the Commission direct staff to explore further options to include county boundary adjustments with the cities, both counties, Los Angeles LAFCO and other affected agencies.



- **Unincorporated Islands**  
The Northwest Orange County MSR area includes several small unincorporated islands adjacent to the cities of Buena Park, La Habra and Placentia. The Commission and staff have been proactive in working with these cities regarding annexation of these areas. Issues raised by the affected agencies include county boundaries, maintenance and condition of infrastructure, and opposition of residents to annexation.
- **Service Options**  
Municipal services to the northwest region are provided by multiple agencies that include cities, special districts, the County, and a private company. The County of Orange provides these services to the unincorporated areas and there is often overlap with adjacent agencies to provide those services. Options in the service areas of law enforcement, water, and regional parks were identified as part of this MSR review. Affected agencies may benefit from exploring these options further to improve the delivery of services within the area, in particular to the unincorporated areas.

The County of Orange has expressed its desire to eventually stop providing municipal level services so that it may focus more completely on regional services, such as courts, social services, health care, flood control, and housing and community development. Although the County continues to provide local municipal services to its unincorporated islands, having alternative service providers may prove more efficient and cost-effective.

## C. SOI Summary

LAFCOs are also required to complete Sphere of Influence (SOI) reviews in conjunction with Municipal Service Reviews for each city and special district at least once every five years. SOIs identify a city's ultimate service boundary within a 15-year time horizon. An SOI is used as a long range planning tool that guides future LAFCO decisions on individual jurisdictional boundary changes, incorporation proposals, district formation, and proposals for consolidation, merger, or formation of subsidiary districts.

LAFCO is the lead agency under CEQA for sphere of influence reviews. Staff, in conjunction with legal counsel, reviewed the CEQA guidelines and recommends that the Commission consider the sphere of influence updates and reviews for the cities included in the Northwest Orange County MSR focus area exempt from CEQA under CEQA Local Guidelines 3.01: the sphere review is not an enactment and, therefore, not a project within the definition of "project" contained in CEQA Guidelines Section 21065.



The reviews determined that no modifications to the cities listed below spheres of influence at this time are warranted.

The sphere of influence review and update for the Northwest Orange County MSR focus area includes a review of six city spheres: Buena Park, Cypress, Fullerton, La Habra, La Palma, and Placentia.

### City of Buena Park

While a discussion of a potential boundary adjustment for an unincorporated area that borders Buena Park and the City of La Mirada (Los Angeles County) will be included in a separate boundary report, staff is recommending that the current sphere of influence for the City of Buena Park be reaffirmed at this time.

### City of Cypress

While there is a potential for a county boundary adjustment for an area presently located in the City of Hawaiian Gardens (Los Angeles County), presently the City has expressed no interest in exploring this issue further. Therefore, staff recommends reaffirming the City's sphere of influence at this time.

### City of Fullerton

At present, there are no issues for the City of Fullerton's existing SOI. Staff recommends reaffirming the City's sphere of influence.

### City of La Habra

At present, there are no issues for the City of La Habra's existing SOI. Staff recommends reaffirming the City's sphere of influence.

### City of La Palma

During the MSR, county boundary issues were noted. There are two areas presently located in the City of Cerritos (Los Angeles County), east of the Los Coyotes Flood Control Channel and adjacent to the City of La Palma. One area includes Rainbow Park, currently located in La Palma, but maintained by Cerritos through a contractual arrangement. In these discussions, the channel was referenced as potentially the logical dividing boundary for Orange and Los Angeles Counties, (ideally, with territory east of the creek being La Palma and west of the creek, Cerritos).



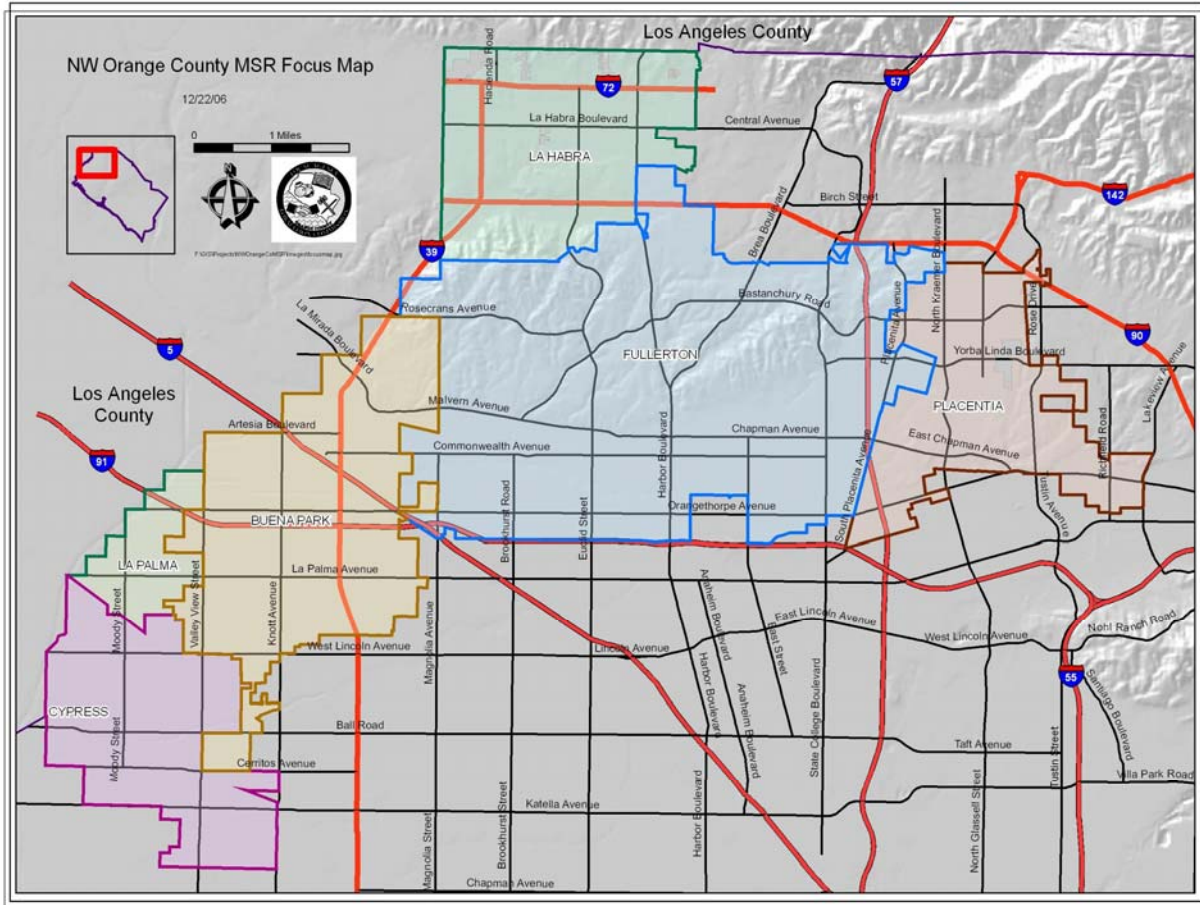
While these issues will be discussed in a separate boundary report exploring county boundary realignment, staff is recommending that the current sphere of influence for the City of La Palma be reaffirmed at this time.

## City of Placentia

There are no sphere issues for the City of Placentia identified at this time. Staff recommends reaffirming the current sphere of influence for the City of La Placentia.



Figure ES.1 - MSR Area Overview Map





# Section 2:

## AGENCY PROFILES





# AGENCY PROFILES

## Introduction

This Municipal Service Review (MSR) addresses the following cities in northwest Orange County:

- City of Buena Park
- City of Cypress
- City of Fullerton
- City of La Habra
- City of La Palma
- City of Placentia

Additionally, the MSR addresses certain services provided by the County of Orange, the Los Angeles County Fire Department, two independent library districts, and a dependent Recreation and Park District. The County of Orange is responsible for providing municipal services to the unincorporated areas adjacent to the Cities of Buena Park, Fullerton, La Habra, and Placentia, which are also reviewed in this report.



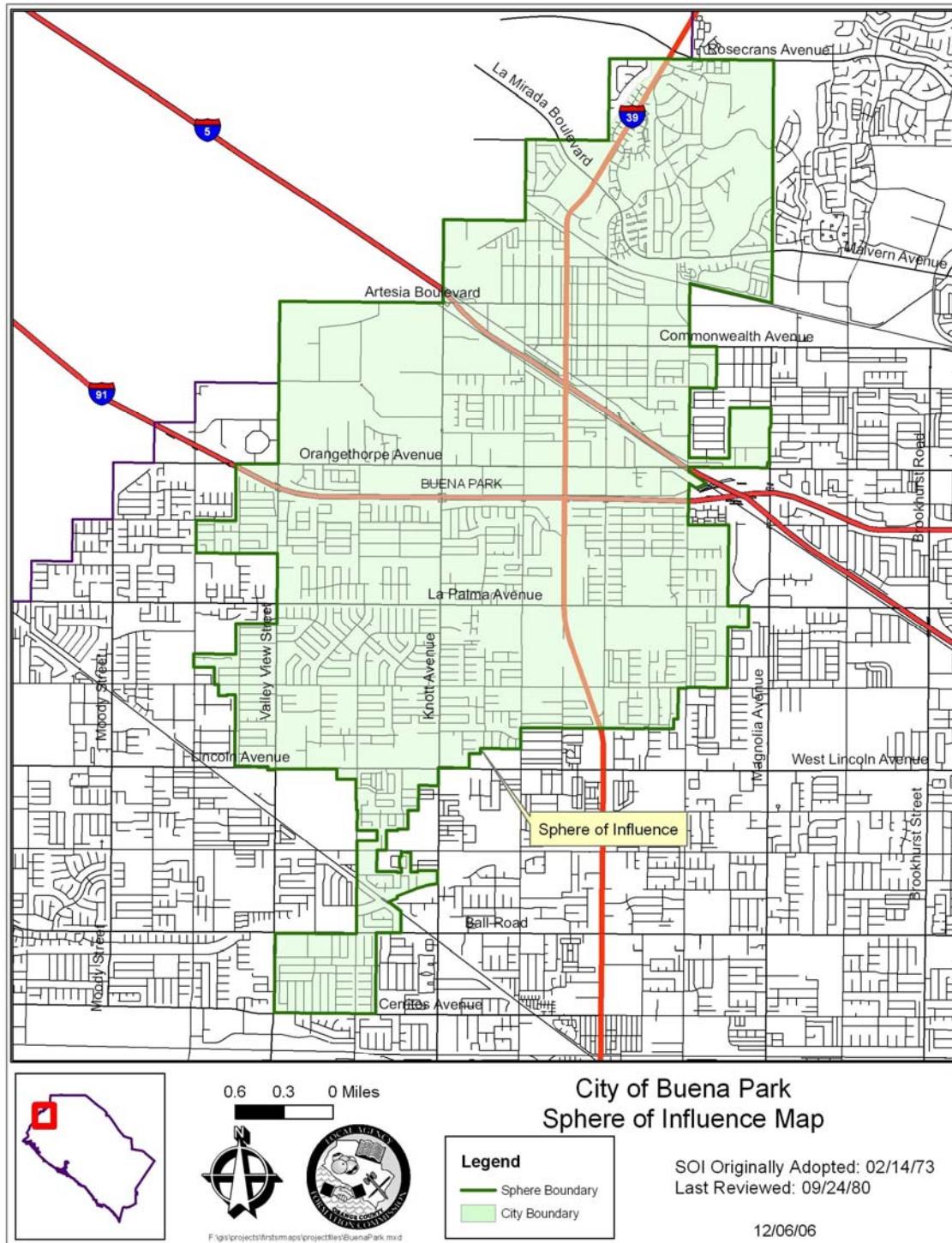
<b>City of Buena Park</b>							
Incorporated January 27, 1953							
Agency Information				Service Area Information			
<b>Address:</b>	6650 Beach Blvd. Buena Park, CA 90622			<b>Incorporated Area (sq. miles):</b>	10.3		
<b>Contact:</b>	Rick Warsinski, City Manager			<b>Population Served:</b>	81,349		
<b>Phone:</b>	(714) 562-3500 (714) 562-3559 e-mail: cityhall@buenapark.com			<b>Population Served Outside of City Boundaries:</b>	0		
<b>Website:</b>	<a href="http://www.buenapark.com">www.buenapark.com</a>						
Governance							
<b>Council members:</b> 5, elected at-large							
Financial Information (FY 2006-2007 budget) (in thousands)							
<b>Revenues:</b>	\$79,656	<b>Operating Budget:</b>	\$67,814	<b>Capital Improvement Budget:</b>	\$8,085	<b>Reserves at Year End (FY '05-'06):</b>	\$18,964
Service Summary							
Contracted Services Provided to Other Agencies							
None							
Contracted Services Provided by Other Agencies							
Animal Control				City of La Habra			
Fire / Emergency				Orange County Fire Authority			
Ambulance Service				Care Ambulance			
Law Enforcement				City of Buena Park			
Number of Patrol Units: 26				Number of Priority 1 Service Calls 2006: 1,333			
Personnel (Sworn/Non-Sworn): 103 / 85							
Fire Protection/ Emergency				Orange County Fire Authority			
Number of Stations: 3				Personnel (Sworn/Support Staff): 48			
Number of Incidents 2006: 5,433							
Water Service							
City of Buena Park				Number of Connections: 20,000			
Sewer Service							
Orange County Sanitation District/City of Buena Park				Number of Connections: 19,500			



<b>Solid Waste</b>	
Park Disposal	
<b>Parks and Recreation</b>	
Number of Public Parks:	12
Acreage (Parks and Open Space):	95
Number of Recreation and Community Centers:	2
<b>Animal Control</b>	
City of La Habra Animal Control (enforcement and licensing)	Shelter location: Orange (Shelter services provided by Orange County Animal Care Services)
<b>Libraries</b>	
Buena Park Library District	Number of Libraries: 1
<b>Additional Services Provided</b>	
Building and Planning Services:	Yes
Flood Control:	No
Storm Drainage:	Yes
Redevelopment:	Yes



Figure 2.1 City of Buena Park





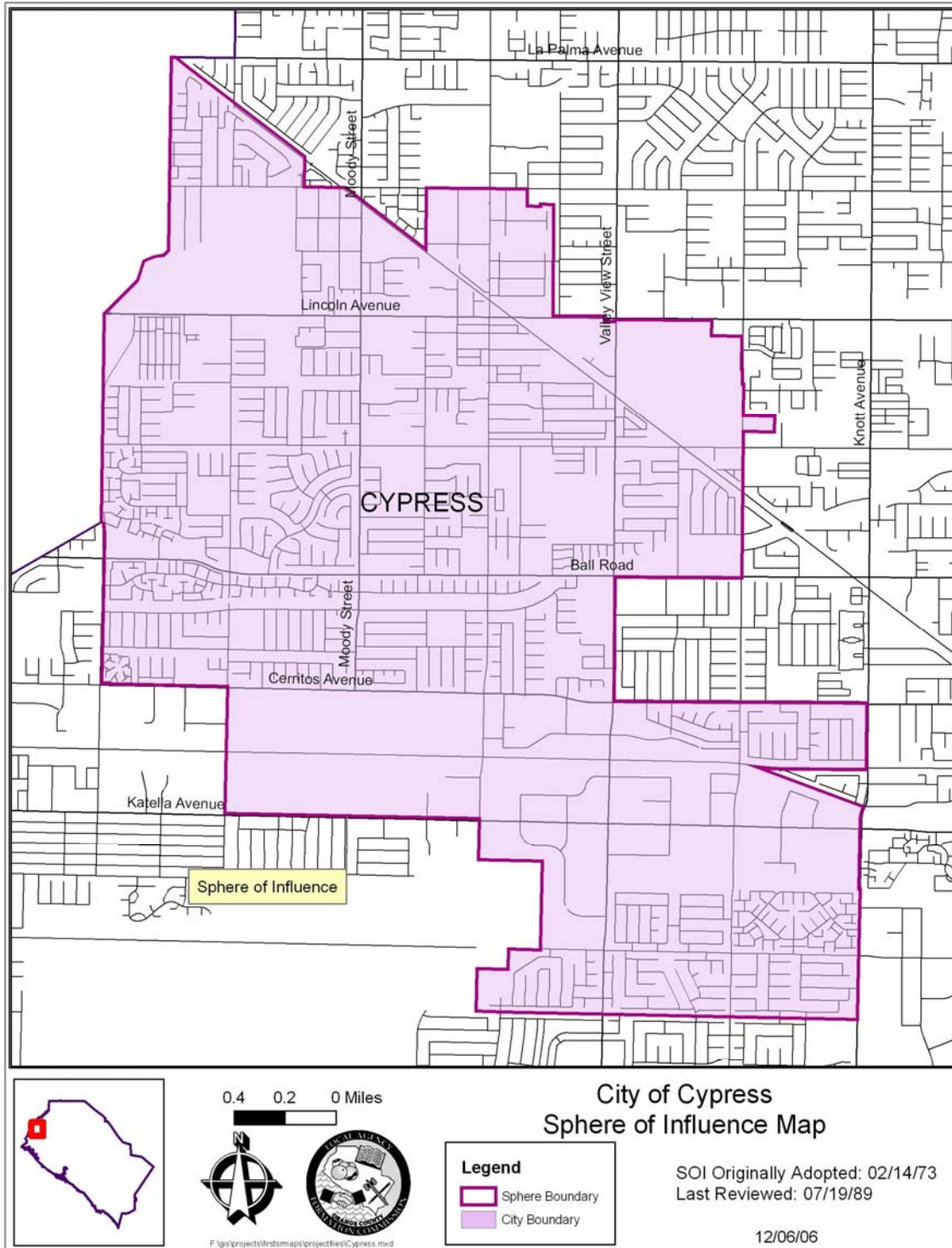
<b>City of Cypress</b>							
Incorporated July 24, 1956							
Agency Information				Service Area Information			
<b>Address:</b>	5275 Orange Avenue Cypress, CA 90630			<b>Incorporated Area (sq. miles):</b>	6.7		
<b>Contact:</b>	John Bahorski, City Manager			<b>Population Served:</b>	49,284		
<b>Phone:</b>	(714) 229-6688 (949) 229-6682 fax			<b>Population Served Outside of City Boundaries:</b>	0		
<b>Website:</b>	<a href="http://www.ci.cypress.ca.us">www.ci.cypress.ca.us</a>						
Governance							
<b>Council members:</b> 5, elected at-large							
Financial Information (FY 2006-2007 budget) (in thousands)							
<b>Revenues:</b>	\$34,073	<b>Operating Budget:</b>	\$24,782	<b>Capital Improvement Budget:</b>	\$7,663	<b>Reserves at Year End (FY '05-'06):</b>	\$12,468
Service Summary							
<b>Contracted Services Provided to Other Agencies</b>							
None							
<b>Contracted Services Provided by Other Agencies</b>							
Animal Control				County of Orange			
Fire / Emergency				Orange County Fire Authority			
Ambulance Service				Medix Ambulance Services			
<b>Law Enforcement</b>				<b>City of Cypress</b>			
Number of Patrol Units: 23				Number of Priority 1 Service Calls 2006: 1,030			
Personnel (Sworn/Non-Sworn): 58/19							
<b>Fire Protection/ Emergency</b>				<b>Orange County Fire Authority</b>			
Number of Stations: 1				Personnel (Sworn/Support Staff): 27			
Number of Incidents 2006: 2,468							
<b>Water Service</b>							
Golden State Water Company				Number of Connections: 13,701			
<b>Sewer Service</b>							
Orange County Sanitation District/City of Cypress				Number of Connections: 12,000			
<b>Solid Waste</b>							
Republic Industries							



<b>Parks and Recreation</b>	Cypress Recreation and Park District
Number of Public Parks:	19
Acreage (Parks and Open Space):	82.03
Number of Recreation and Community Centers:	5
<b>Animal Control</b>	
County of Orange	Shelter location: Orange (Shelter services provided by Orange County Animal Care Services)
<b>Libraries</b>	
Orange County Public Libraries	Number of Libraries: 1
<b>Additional Services Provided</b>	
Building and Planning Services:	Yes
Flood Control:	No
Storm Drainage:	Yes
Redevelopment:	Yes



Figure 2.2 City of Cypress





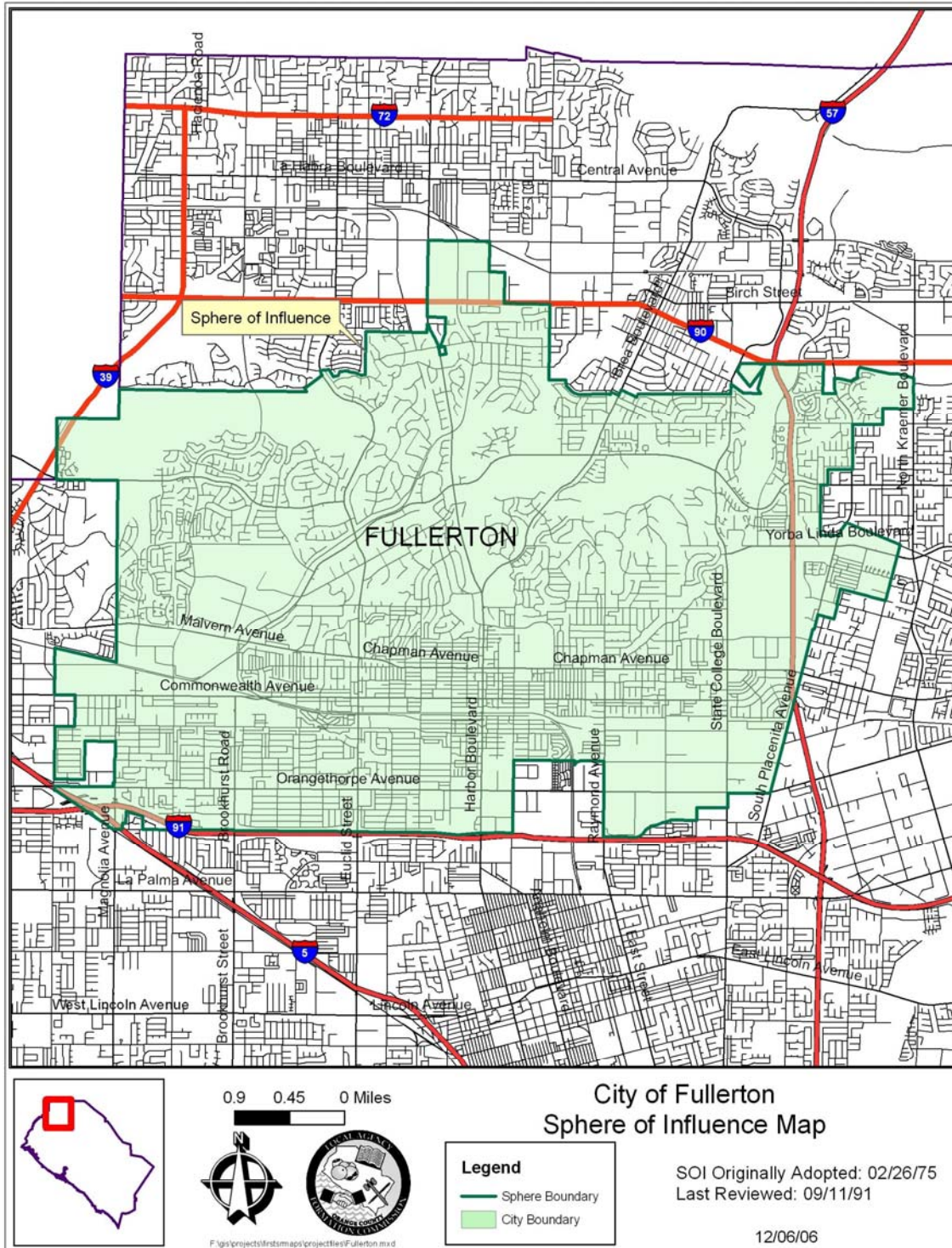
<b>City of Fullerton</b>							
Incorporated February 15, 1904							
Agency Information				Service Area Information			
<b>Address:</b>	303 W. Commonwealth Fullerton, CA 92832			<b>Incorporated Area (sq. miles):</b>	22.5		
<b>Contact:</b>	Chris Meyer, City Manager			<b>Population Served:</b>	136,428		
<b>Phone:</b>	(714) 738-6317 (714) 738-6758 fax			<b>Population Served Outside of City Boundaries:</b>	0		
<b>Website:</b>	<a href="http://www.ci.fullerton.ca.us">www.ci.fullerton.ca.us</a>						
Governance							
<b>Council members:</b> 5, elected at-large							
Financial Information (FY 2006-2007 budget) (in thousands)							
<b>Revenues:</b>	\$151,668	<b>Operating Budget:</b>	\$220,070	<b>Capital Improvement Budget:</b>	\$79,057	<b>Reserves at Year End (FY '05-'06):</b>	\$42,359
Service Summary							
Contracted Services Provided to Other Agencies							
None							
Contracted Services Provided by Other Agencies							
Animal Control				County of Orange			
Ambulance Service				Care Ambulance			
Law Enforcement				City of Fullerton			
Number of Patrol Units: 29				Number of Service Calls 2005: 129,260			
Personnel (Sworn/Non-Sworn): 156 / 75							
Fire Protection/ Emergency				City of Fullerton			
Number of Stations: 6				Personnel (Sworn/Support Staff): 89			
Number of Incidents 2006: 9,721							
Water Service							
City of Fullerton				Number of Connections: 30,347			
Sewer Service							
Orange County Sanitation District/City of Fullerton				Number of Connections: XXXX			
Solid Waste							
MG Disposal							



<b>Parks and Recreation</b>	
Number of Public Parks:	30
Acreage (Parks and Open Space):	412.8
Number of Recreation and Community Centers:	4
<b>Animal Control</b>	
County of Orange	Shelter location: Orange (Shelter services provided by Orange County Animal Care Services)
<b>Libraries</b>	
City of Fullerton	Number of Libraries: 2
<b>Additional Services Provided</b>	
Building and Planning Services:	Yes
Flood Control:	No
Storm Drainage:	Yes
Redevelopment:	Yes



Figure 2.3 City of Fullerton





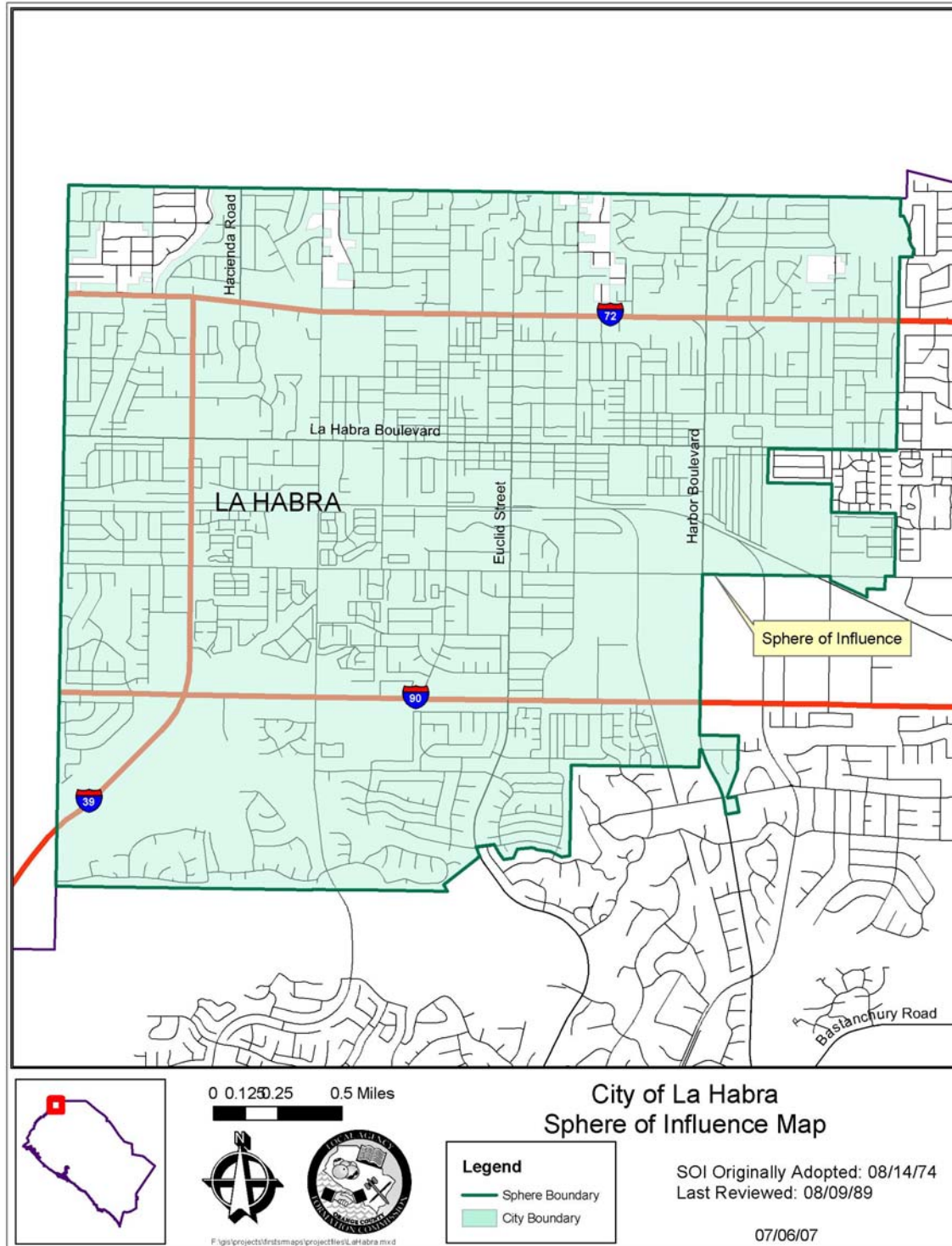
<b>City of La Habra</b>							
Incorporated January 20, 1925							
Agency Information				Service Area Information			
<b>Address:</b>	201 E. La Habra Boulevard La Habra, CA 90633-0337			<b>Incorporated Area (sq. miles):</b>	7.3		
<b>Contact:</b>	Brad Bridenbecker, City Manager			<b>Population Served:</b>	61,789		
<b>Phone:</b>	(562) 905-9700 (562) 905-9719 fax			<b>Population Served Outside of City Boundaries:</b>	0		
<b>Website:</b>	<a href="http://www.ci.la-habra.ca.us">http://www.ci.la-habra.ca.us</a>						
Governance							
<b>Council members:</b> 5, elected at-large							
Financial Information (FY 2006-2007 budget) (in thousands)							
<b>Revenues:</b>	\$34,258	<b>Operating Budget:</b>	\$31,937	<b>Capital Improvement Budget:</b>	\$4,300	<b>Reserves at Year End (FY '05-'06):</b>	\$
Service Summary							
Contracted Services Provided to Other Agencies							
Animal Control (City of Buena Park)							
Contracted Services Provided by Other Agencies							
Fire Protection/Emergency				Los Angeles County Fire Department			
Law Enforcement				City of La Habra			
Number of Patrol Units: <b>XX</b>				Number of Service Calls 2006: <b>XXXX</b>			
Personnel (Sworn/Non-Sworn): <b>XX/XX</b>							
Fire Protection/ Emergency				Los Angeles County Fire Department			
Number of Stations: 4				Personnel (Sworn/Support Staff): 45			
Number of Incidents 2006: 3,625							
Water Service							
City of La Habra				Number of Connections: <b>XXXX</b>			
Sewer Service							
Orange County Sanitation District/City of La Habra				Number of Connections: <b>XXXX</b>			
Solid Waste							
Waste Management of Orange County							
Parks and Recreation							
Number of Public Parks:				23			



Acreage (Parks and Open Space):	125.64
Number of Recreation and Community Centers:	4
<b>Animal Control</b>	
La Habra Police Department	Shelter location: Orange (County of Orange Animal Care Services)
<b>Libraries</b>	
Orange County Public Libraries	Number of Libraries: 1
<b>Additional Services Provided</b>	
Building and Planning Services:	Yes
Flood Control:	No
Storm Drainage:	Yes
Redevelopment:	Yes



Figure 2.4 City of La Habra





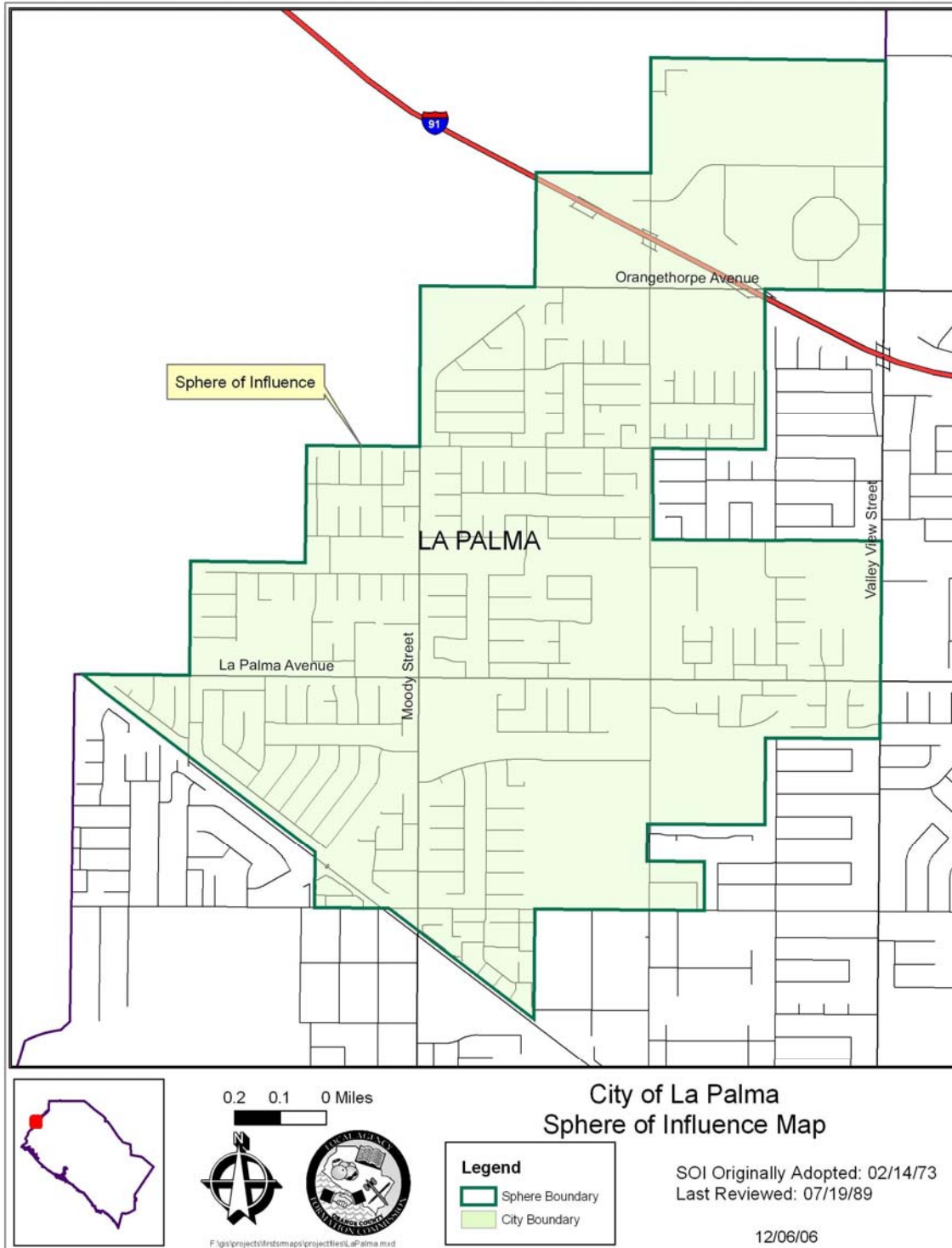
<b>City of La Palma</b>							
Incorporated October 19, 1955							
<b>Address:</b>	7822 Walker Street La Palma, CA 92626				<b>Incorporated Area (sq. miles):</b>	2.0	
<b>Contact:</b>	Dominic Lazzaretto, Interim City Manager				<b>Population Served:</b>	16,081	
<b>Phone:</b>	(714) 690-3333 (714) 523-2141 fax				<b>Population Served Outside of City Boundaries:</b>	0	
<b>Website:</b>	<a href="http://www.cityoflapalma.org">www.cityoflapalma.org</a>						
<b>Council members:</b> 5, elected at-large							
<b>Revenues:</b>	\$16,149	<b>Operating Budget:</b>	\$5,632	<b>Capital Improvement Budget:</b>	\$3,599	<b>Reserves at Year End (FY '05-'06):</b>	\$36,191
<b>Contracted Services Provided to Other Agencies</b>							
None							
<b>Contracted Services Provided by Other Agencies</b>							
Fire Protection/Emergency:				Orange County Fire Authority			
Ambulance Provider:				Care Ambulance			
Animal Control:				County of Orange			
<b>Law Enforcement</b>				<b>City of La Palma</b>			
Number of Patrol Units: 8				Number of Priority 1 Service Calls 2006: 1,243			
Personnel (Sworn/Non-Sworn): 24/7							
<b>Fire Protection/ Emergency</b>				<b>Orange County Fire Authority</b>			
Number of Stations: 1				Personnel (Sworn/Support Staff): 9			
Number of Incidents 2004: 791							
<b>Water Service</b>							
City of La Palma				Number of Connections: 4,323			
<b>Sewer Service</b>							
Orange County Sanitation District/City of La Palma				Number of Connections: 4,311			
<b>Solid Waste</b>							
Park Disposal							



<b>Parks and Recreation</b>	
Number of Public Parks:	6
Acreage (Parks and Open Space):	33.3
Number of Recreation and Community Centers:	1
<b>Animal Control</b>	
County of Orange Animal Care Services	Shelter location: Orange (Shelter services provided by Orange County Animal Care Services)
<b>Libraries</b>	
Orange County Public Libraries	Number of Libraries: 1
<b>Additional Services Provided</b>	
Building and Planning Services:	Yes
Flood Control:	No
Storm Drainage:	Yes
Redevelopment:	Yes



Figure 2.5 City of La Palma





<b>City of Placentia</b>							
Incorporated December 2, 1926							
Agency Information				Service Area Information			
<b>Address:</b>	401 East Chapman Avenue Placentia, CA 92870			<b>Incorporated Area (sq. miles):</b>	6.6		
<b>Contact:</b>	Robert Dominguez, City Administrator			<b>Population Served:</b>	51,236		
<b>Phone:</b>	(714) 993-8231 (714) 961-0283 fax			<b>Population Served Outside of City Boundaries:</b>	0		
<b>Website:</b>	<a href="http://www.placentia.org">www.placentia.org</a>						
Governance							
<b>Council members:</b> 5, elected at-large							
Financial Information (FY 2006-2007 budget) (in thousands)							
<b>Revenues:</b>	\$22,076	<b>Operating Budget:</b>	\$27,344	<b>Capital Improvement Budget:</b>	\$0	<b>Reserves at Year End (FY '05-'06):</b>	\$4,093
Service Summary							
Contracted Services Provided to Other Agencies							
None							
Contracted Services Provided by Other Agencies							
Fire Protection/Emergency				Orange County Fire Authority			
Ambulance Provider:				Emergency Ambulance			
Animal Control:				County of Orange			
Law Enforcement				City of Placentia			
Number of Patrol Units: <b>XX</b>				Number of Priority 1 Service Calls 2006: 16,000			
Personnel (Sworn/Non-Sworn): 55							
Fire Protection/ Emergency				Orange County Fire Authority			
Number of Stations: 2				Personnel (Sworn/Support Staff): 36			
Number of Incidents 2004: 2,692							
Water Service							
Golden State Water Company, Yorba Linda Water District				Number of Connections: <b>XXXX</b>			
Sewer Service							
Orange County Sanitation District/City of Placentia				Number of Connections: <b>XXXX</b>			
Solid Waste							
Placentia Disposal (Taormina Industries)							

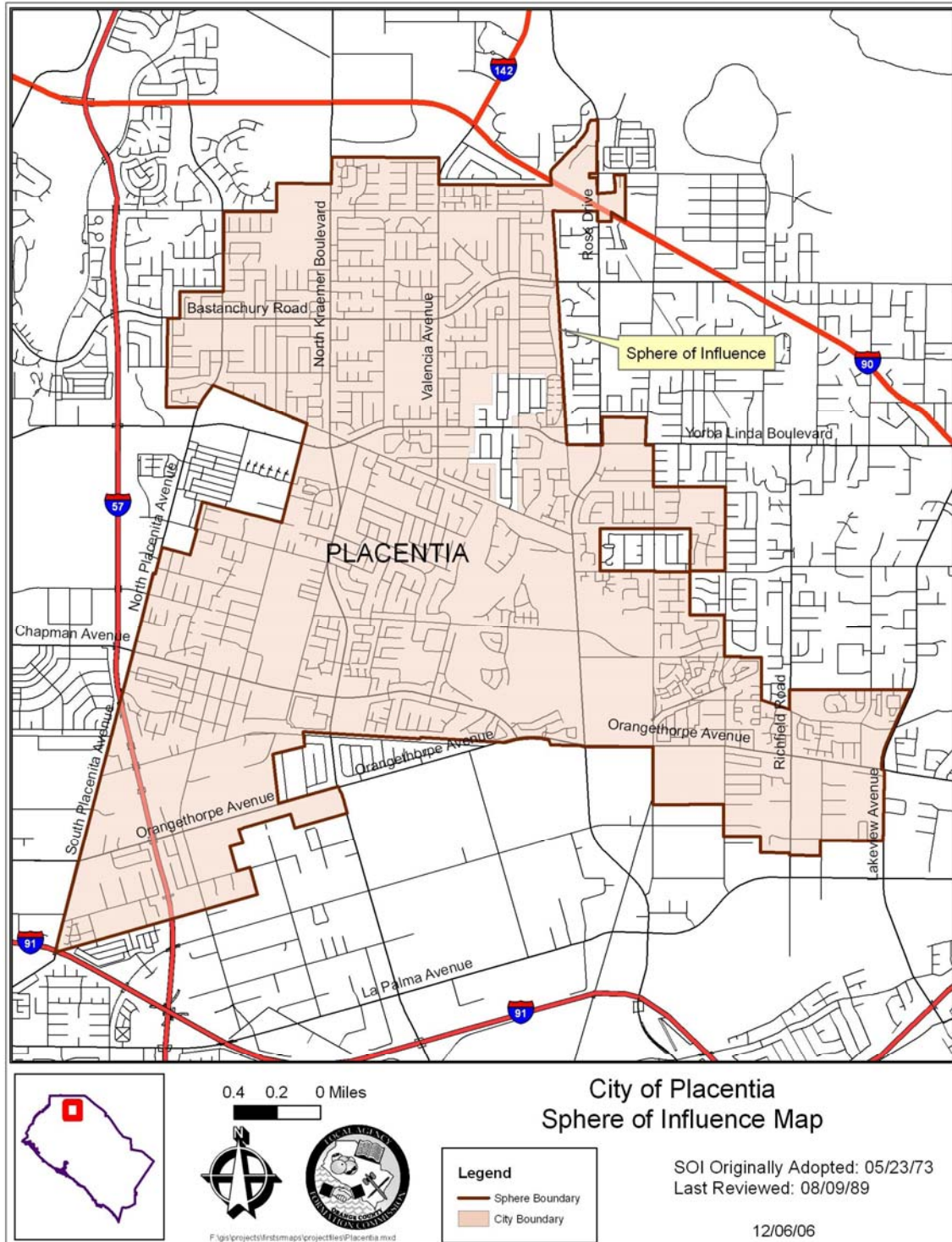


<b>Parks and Recreation</b>	
Number of Public Parks:	13
Acreage (Parks and Open Space):	166.79 <sup>1</sup>
Number of Recreation and Community Centers:	3
<b>Animal Control</b>	
County of Orange Animal Care Services	Shelter location: Orange (Shelter services provided by Orange County Animal Care Services)
<b>Libraries</b>	
Placentia Library District	Number of Libraries: 1
<b>Additional Services Provided</b>	
Building and Planning Services:	Yes
Flood Control:	No
Storm Drainage:	Yes
Redevelopment:	Yes

<sup>1</sup> Includes 50% of school land for park use  
 Section 2, Agency Profiles



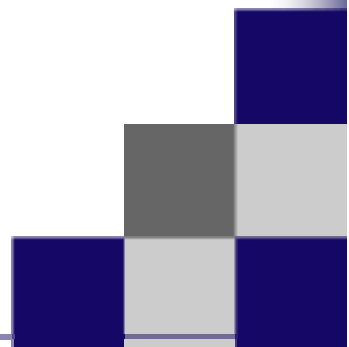
Figure 2.6 City of Placentia





# Section 3:

## GROWTH & PROJECTED POPULATION





# GROWTH & POPULATION

## A. Regional Summary

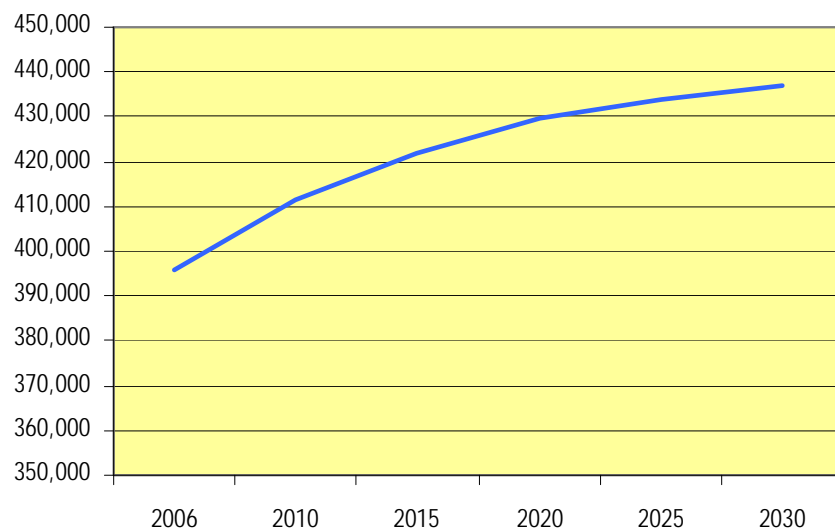
The northwest portion of Orange County including the MSR study area is largely built out. Therefore, this area will experience moderate growth in the future unless land use policies change, allowing for increased density. In the City of Fullerton, for example, the downtown is undergoing redevelopment that includes the addition of multi-story, transit-oriented, high-density housing projects.

The population projections used in the analysis in this MSR are based on data from the Center for Demographic Research at California State University, Fullerton as presented in the annual publication, *Orange County Progress Report, 2006*.

## B. Existing & Projected Population

As shown in *Figure 3.1* below, population growth is anticipated within the study area, with the highest rate of growth occurring between 2006 and 2010.

**Figure 3.1, Population Growth Projections**





Northwest Orange County is anticipating moderate growth over the next twenty years primarily due to infill and redevelopment. This may change over time depending on social and land use trends that support higher density. The City of Fullerton will have the highest increase in population, with an additional 13,300 residents by 2030. However, as indicated in Table 3.2, the City of Buena Park is expected to experience the largest overall increase of 13.7% (11,132 residents) within the next 25 years. Fullerton's projection does not include the proposed West Coyote Hills Specific Plan development to include 760 new homes that is currently in the planning process with the City. Presently, the cities are projecting between 1% to 2% growth by 2030.

Cities within the MSR area have considered future growth and the plans for service within their respective area.

City		2006	2010	2015	2020	2025	2030	Overall Increase
Buena Park	Pop.	81,349	85,855	88,205	90,169	91,642	92,481	11,132
	% Change	--	5.5%	2.7%	2.2%	1.6%	1%	13.7%
Cypress	Pop.	48,854	50,284	51,787	53,354	53,619	53,752	4,898
	% Change	--	2.8%	2.9%	2.9%	--%*	--%*	10%
Fullerton	Pop.	136,428	140,513	144,045	146,715	148,241	149,711	13,283
	% Change	--	2.9%	2.5%	1.8%	1%	--%*	9.7%
La Habra	Pop.	61,789	65,773	67,256	68,055	68,481	68,576	6,787
	% Change	--	6%	2%	1%	--%*	--%*	11%
La Palma	Pop.	16,081	16,600	16,967	17,188	17,273	17,368	1,287
	% Change	--	3%	2%	1%	--%*	--%*	8%
Placentia	Pop.	51,236	52,352	53,638	54,338	54,756	55,164	3,928
	% Change	--	2%	2%	1%	--%*	--%*	8%
<b>TOTAL</b>	Pop.	395,737	411,377	421,898	429,819	434,012	437,052	41,315
	% Change	--	3.8%	2.5%	1.8%	--%*	--%*	9%

Source: Orange County Progress Report, 2006

\*less than one percent



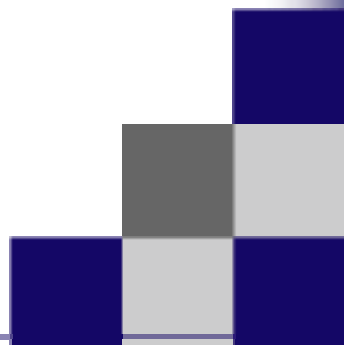
## C. Summary

Northwest Orange County will have moderate growth over the next twenty years primarily due to infill and redevelopment. Expected growth in this area is addressed by the cities and County of Orange (for the unincorporated areas) through their General Plan and Capital Improvement Plan.



# Section 4:

## INFRASTRUCTURE NEEDS & DEFICIENCIES





# INFRASTRUCTURE NEEDS & DEFICIENCIES

## A. Regional Overview

Services addressed in this report are provided by the cities, special districts, the County, and the State of California (California Highway Patrol) as shown in *Table 4.1* below.

Table 4.1 Northwest Orange County Services								
Municipal Services and Providers	Police Protection	Fire/Emergency Medical	Water	Wastewater	Parks and Recreation	Open Space	Animal Control	Libraries
<b>Cities</b>								
City of Buena Park	•		•	•	•	•		
City of Cypress	•			•		•		
City of Fullerton	•	•	•	•	•	•		•
City of La Habra	•		•	•	•	•	•	
City of La Palma	•		•	•	•	•		
City of Placentia	•		•	•	•	•		
<b>County of Orange</b>								
Orange County Sheriff Department	•							
Orange County Fire Authority		•						
Health Care Agency							•	
Orange County Public Library								•
<b>Other Service Providers</b>								
Los Angeles County Fire Department ( <i>La Habra</i> )		•						
Buena Park Library District								•
Cypress Recreation and Park District					•			





## City of Cypress Police Department

The Cypress Police Department provides uniformed patrol officers, a canine program, intelligence services, jail operations, and SWAT services. The Department's headquarters are located in City Hall Complex.

## City of Fullerton Police Department

The Fullerton Police Department's programs include Administration, Communications, Crime Impact, Crimes against Persons, Crime Scene Investigation, Family Crimes/Sexual Assault, Gang Activity, Narcotics, Technical Services and Traffic. Community Services include crime prevention programs, Explorers, Neighborhood Watch Programs, School Resource Officers, a senior volunteer program, and the Police Chaplain. The City maintains its own municipal jail.

## City of La Habra Police Department

The La Habra Police Department, located at City Hall, is divided into Investigations, Records, Communications Dispatch, Traffic and Patrol. The department also provides Animal Control Services to La Habra and Buena Park residents.

## City of La Palma Police Department

La Palma has a full-service, community oriented police department. The La Palma Police Department operates out of headquarters located adjacent to City Hall at 7792 Walker Street. The Police Department has various assignment areas such as Patrol, Investigation, Traffic (Motors), K-9, Field Training, Administrative Support, School Resource Officer, Enforcement Unit, and a Regional SWAT Team (North Orange County).

## City of Placentia Police Department

The Placentia Police Department headquarters are located within the Placentia Civic Center at 401 East Chapman Avenue. There are three divisions within the department: administrative services, field services, and personnel. Administrative Services encompasses communications, detectives, property, evidence, crime scene investigation, and special enforcement detail. Field Services include the bicycle team, canine unit, Explorers, patrol, reserves, SWAT, traffic, and a volunteer policing



program. The Personnel Division is responsible for the human resources function for the department.

## Orange County Sheriff Department

The Orange County Sheriff Department provides patrol and investigative services to the unincorporated areas adjacent to the Cities of Buena Park, Fullerton, La Habra, and Placentia.

## California Highway Patrol

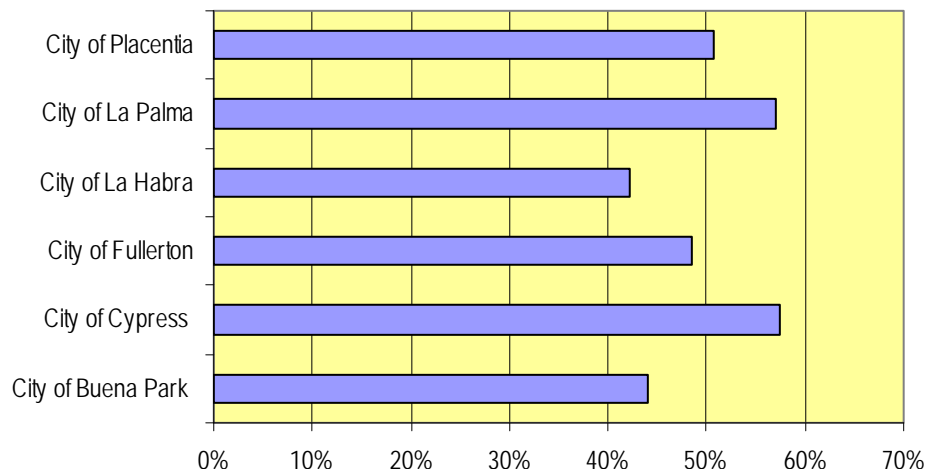
The California Highway Patrol is responsible for the provision of traffic enforcement within unincorporated areas.

## Summary

A total of eight agencies provide law enforcement to the Northwest Orange County area - 6 city police departments, Orange County Sheriff Department, and the California Highway Patrol. The Orange County Sheriff Department in many cases must cross city boundaries to provide this service to unincorporated areas adjacent to cities. As shown in Figure 4.1a below, costs associated with providing police protection accounts for approximately 48% of the combined General Fund budgets for the cities within the study area. As costs to provide police protection continue to rise, MSR agencies may want to explore cost-sharing and other collaborative opportunities for providing police service to the area.

**Figure 4.1a**

### **FY 2006-2007 Budgeted Police Service Costs as Percentage of General Fund Revenue**





## C. Fire and Emergency Medical Services

Fire and emergency medical services are provided by one municipal fire department, the Orange County Fire Authority and the Los Angeles County Fire Department.

### City of Fullerton Fire Department

The City of Fullerton has its own municipal fire department, with six fire stations, nine fire engines and one aerial ladder truck. Emergency medical services are integrated within the fire fighting force—three of the six pumpers are equipped with required paramedic equipment and staffed with four personnel, including two certified mobile intensive care paramedics providing Advanced Life Support service. All fire suppression personnel are trained to the Emergency Medical Technician I level.

<b>Station Number</b>	<b>Station Address</b>	<b>Calls for Service in 2006</b>
Station 1 (Headquarters)	312 E. Commonwealth Avenue	4,197
Station 2	1732 W. Valencia Drive	2,601
Station 3	700 S. Acacia Avenue	1,406
Station 4	3251 N. Harbor Blvd.	1,438
Station 5	2555 E. Yorba Linda Blvd.	2,366
Station 6	2691 Rosecrans	1,182

Stations #1, #2, #4 and #5 are staffed with paramedic engine companies that have four firefighters on each unit. Stations #3 and #6 are Basic Life Support units with three firefighters each. There are 27 Firefighters assigned to each shift.

### City of La Habra

On December 20, 2004 the La Habra City Council approved an agreement for services between the Consolidated Fire Protection District of Los Angeles County and the city for the District to provide the following services by contract: fire protection, hazardous materials services, emergency medical services which include paramedic services, fire code and related code enforcement, fire cause and arson investigation, as well as all District support services. This agreement was approved by the Los Angeles County



Board of Supervisors on February 8, 2005 and became effective July 1, 2005.<sup>2</sup> The facilities, equipment and staff of the La Habra Fire Department were transferred to the District.

This change in fire service was implemented by the city as a means to improve service levels, reduce costs, and address capital needs for facilities and apparatus. The initial agreement is for 10 years. The City's annual fee is comprised of the City's share of the salary and employee benefits of the personnel assigned to the three city fire stations, fire prevention personnel assigned to the city, and overhead costs. The City and District are sharing in the cost of developing a fourth station, located to provide optimum coverage to both the City and adjacent District areas including the neighboring cities of Whittier and La Mirada. Per the terms of the agreement, this fourth station is owned by the City.

These four stations within La Habra are part of Battalion 21:

<b>Station Number</b>	<b>Station Address</b>	<b>Calls for Service in 2006</b>
Station 191	850 W. La Habra Blvd.	1,742
Station 192	520 S. Harbor Blvd.	1,051
Station 193	1000 W. Risner Way	330
Station 194	1401 S. Beach Blvd.	502

Source: Los Angeles County Fire Department

The Los Angeles County Fire Department has two classifications of apparatus. Paramedic Assessment Engines are staffed with either two or three fire personnel and one paramedic; they are able to provide advanced emergency medical services as well as fire suppression. Paramedic squads are staffed with two paramedics and their main function is to provide advanced emergency medical services. The Department employs a total of 2,805 full-time uniform fire personnel.

Station 191 has a 3-person Paramedic Assessment Engine and a 2-person Paramedic Squad. There are a total of five fire personnel per shift.

<sup>2</sup> On June 23, 2004 the Local Agency Formation Commission of Los Angeles County approved the District's Request for Exemption from LAFCO approval under Government Code Section 56133(e).



Station 192 has a 3-person Paramedic Assessment Engine with a total of three fire personnel per shift.

Station 193 has a 3-person Paramedic Assessment Engine with a total of three fire personnel per shift.

Station 194 has a 4-person Paramedic Assessment Engine with a total of four fire personnel per shift.

## Orange County Fire Authority

The Orange County Fire Authority (OCFA) provides fire and emergency medical services for the Cities of Buena Park, Cypress, La Palma, and Placentia and the unincorporated areas. OCFA's countywide service area is divided into five divisions comprised of eight battalions (see *Figure 4.2a below*). The MSR area is primarily located within Division 1, Battalion 8 covering Cypress and Buena Park. Placentia is located within Division 4, Battalion 2.

With 60 fire stations and a service area that includes urban, suburban, rural, and wilderness areas, OCFA is one of the largest regional fire service organizations in California. Front line apparatus (those units staffed for immediate response) includes 57 fire engines, 10 paramedic vans, and 13 trucks. Of the 80 units, 30 are paramedic advanced life support units, 26 are paramedic assessment units and 24 are basic life support units. OCFA resources include helicopters, a hazardous materials response unit, airport crash rescue units at John Wayne Airport, bulldozers, swift water rescue capabilities, and a federally sponsored urban search and rescue task force.

OCFA's resources are based upon a regional service delivery system, meaning the agency assigns personnel and equipment to emergency incidents without regard to jurisdictional boundaries. The principle benefits of a regional system are reduced costs, improved service and coverage, reduced duplication, cost avoidance, and increased effectiveness.<sup>3</sup>

Existing fire stations within the study area are listed below in *Table 4.5* along with the number of calls for service received by the stations. A discussion of each station's location, labor resources, and equipment follow.

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<sup>3</sup> Orange County Fire Authority. Overview of Deployment in Orange County.



<b>Station Number</b>	<b>Station Address</b>	<b>Calls for Service in 2006</b>
Station 13	7822 Walker St., La Palma	1,587
Station 17	4991 Cerritos Ave., Cypress	4,881
Station 34	1530 N. Valencia Ave., Placentia	3,593
Station 35	110 S. Bradford Ave., Placentia	1,461
Station 61	7871 Pacific St., Buena Park	5,257
Station 62	7780 Artesia Blvd., Buena Park	2,264
Station 63	9120 Holder St., Buena Park	2,264

Station 13, in the City of La Palma, is equipped with one paramedic assessment engine and one medic van. The station is staffed by nine firefighters, in three shifts of three firefighters per shift.

Station 17, within the City of Cypress, is equipped with one engine, one truck, one medic van and is staffed by three shifts of nine personnel.

Station 34, located in Placentia, is equipped with medic engine, and one truck. The station is staffed by three shifts of nine personnel, including one chief.

Station 35, also within the City of Placentia, is equipped with one paramedic assessment engine and is staffed by three shifts of three personnel.

Station 61, located in the City of Buena Park, is equipped with a one medic engine and one truck. There are three shifts of nine personnel at this station, including one Chief.

Station 62, also within Buena Park, is equipped with one medic engine and is staffed by three shifts of four personnel.

Station 63, the third station in Buena Park, is equipped with one paramedic assessment engine and is staffed by three shifts of three personnel.

## Summary

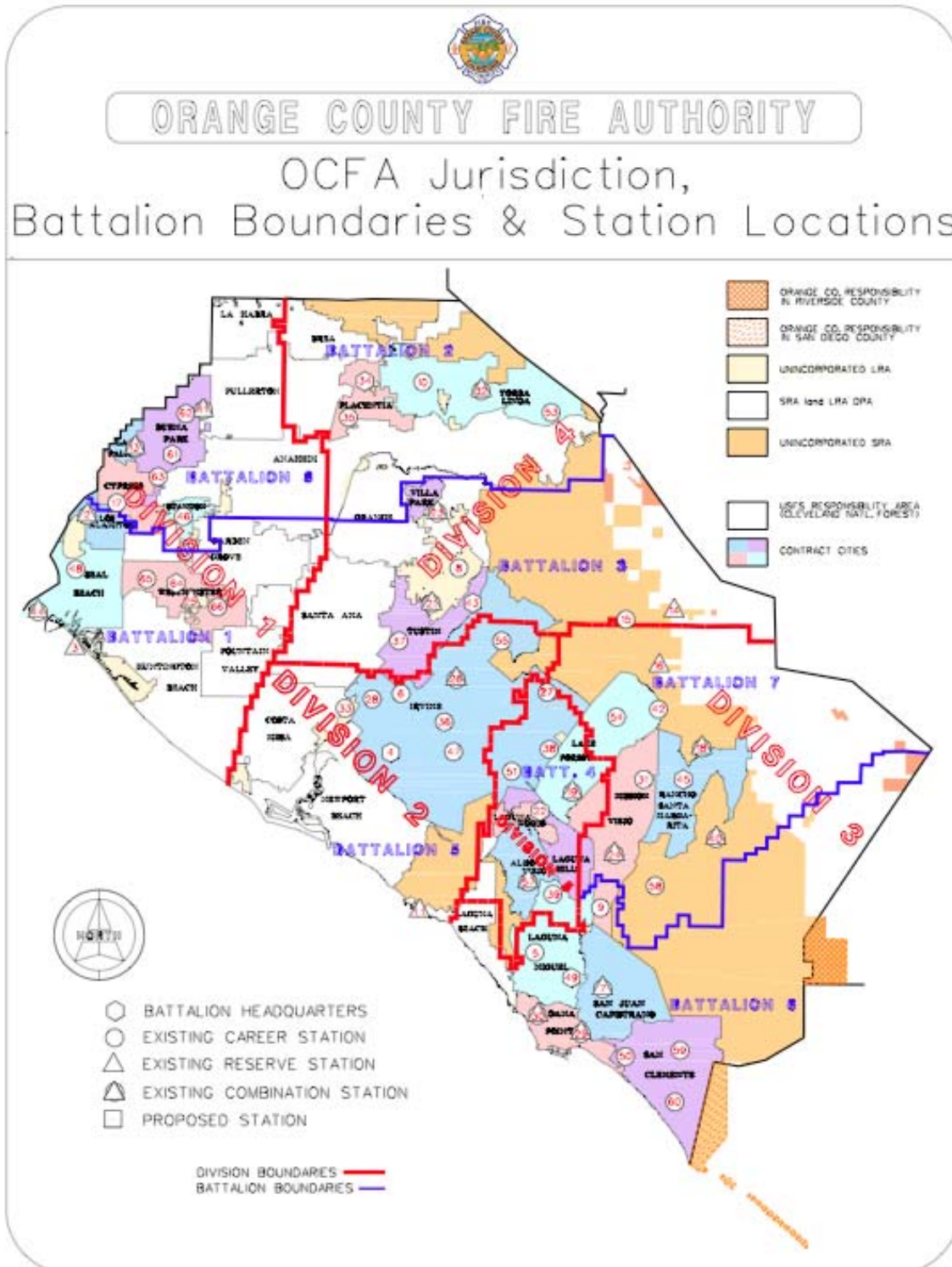
Four of the cities in the study area – Buena Park, Cypress, La Palma and Placentia – contract with the Orange County Fire Authority. La Habra contracts with the LA County Fire Department. By contracting, cities do not have to manage and maintain fire services. The City of Fullerton maintains its own Fire Department.



Ambulance service is contracted with each city or through the Fire Authority. In OCFA, ambulance service is contracted through a competitive bid process, with some cities retaining the authority to select their own provider, while others delegate the selection to the OCFA Board of Directors. The County of Orange has delegated ambulance-contracting authority to the OCFA. Service areas generally follow city boundaries, with efficiencies reached when an ambulance service provider serves several adjacent cities at the same time, as in the case of CARE, which serves Buena Park, Fullerton and La Palma.



Figure 4.2a, OCFA Service Area in Orange County



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## D. Water Service

Retail water service in the study area is provided through four municipal water departments, a private water company, and one independent water district. The primary source of supply is groundwater pumped from the Orange County Groundwater Basin, supplemented with imported water purchased from the Municipal Water District of Orange County (MWDOC)<sup>4</sup> and the Metropolitan Water District of Southern California (Metropolitan). The Orange County Groundwater Basin is managed by the Orange County Water District (OCWD)<sup>5</sup>.

### City of Buena Park

The City of Buena Park operates its own municipal water department. The City is a groundwater producer and a MWDOC member agency. Buena Park has a total of eight (8) active groundwater wells in operation, plus a ninth well at the Police Department that is used for emergency purposes only. Approximately 60% of the City's water supply is groundwater, with the remaining 40% imported. The City has five connections to the Metropolitan system. As a groundwater producer, the City coordinates with OCWD in managing the region's groundwater resources.

Buena Park has a 20 million gallon storage reservoir located in the City of Fullerton. In the City's FY 2006-2007 Capital Improvement Program budget, \$510,000 is approved for rehabilitation of the Ball Well, security upgrades at well sites throughout the city, continuation of the water main replacement program, and repair/rehabilitation of water mains identified in the Water Master Plan or due to emergency situations.

### City of Fullerton

The City of Fullerton provides retail water service within the city. Fullerton is a groundwater producer and a member agency of Metropolitan. The City's source of water supply is currently 44% imported and 56% groundwater; this is projected to change to 35% imported and 65% groundwater by 2010. The City's water system

<sup>4</sup> MWDOC is reviewed in the *Municipal Water District of Orange County Municipal Service Review and Sphere of Influence Study, 2007*

<sup>5</sup> OCWD is reviewed in the *Orange County Water District Municipal Service Review and Sphere of Influence Study, 2006*



infrastructure includes twelve wells, ten reservoirs and eight imported water connections.

## City of La Habra

The City of La Habra operates a municipal water system, providing retail water service within the city. La Habra is a groundwater producer and member agency of MWDOC. The City overlies the non-adjudicated La Habra Basin, which is an additional groundwater source. The Basin has not been studied, but the estimated long-term sustainable production level is 4,500 acre-feet per year. The City plans to increase the capacity of the well that pumps from this basin, which would allow for increased production from approximately 1,200 to 2,400 acre-feet per year. By 2010, the City projects that 81% of its water supply will be from groundwater, with only 19% from imported water.

La Habra is working on several capital improvement projects for the water system, including a citywide water main replacement program, construction of two new water pump stations, and replacing a water reservoir cover.

## City of La Palma

The City of La Palma provides retail water service within a portion of the city. La Palma is a groundwater producer and member agency of MWDOC. The City has two wells and a new reservoir with a booster pump station that has the capacity to deliver 2 million gallons per day. This has increased water storage capacity and improved fire flow. The City has approved \$621,800 in water system improvements, including electrical upgrades, security improvements, and installation of new chlorine generators for treatment.

## Golden State Water Company and Yorba Linda Water District

Retail water service in the Cities of Cypress and portions of La Palma and Placentia, is provided by the Golden State Water Company, a private water utility. Golden State is a member of MWDOC and a groundwater producer. The remainder of Placentia is served by the Yorba Linda Water District, an independent special district.<sup>6</sup> The Yorba

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<sup>6</sup> Yorba Linda Water District is reviewed in the *Municipal Service Review and Sphere of Influence Study for the City of Yorba Linda & Yorba Linda Water District, 2006*.



Linda Water District is also a member agency of MWDOC and a groundwater producer. Both Golden State and the District coordinate with OCWD on groundwater production and managing regional groundwater resources.

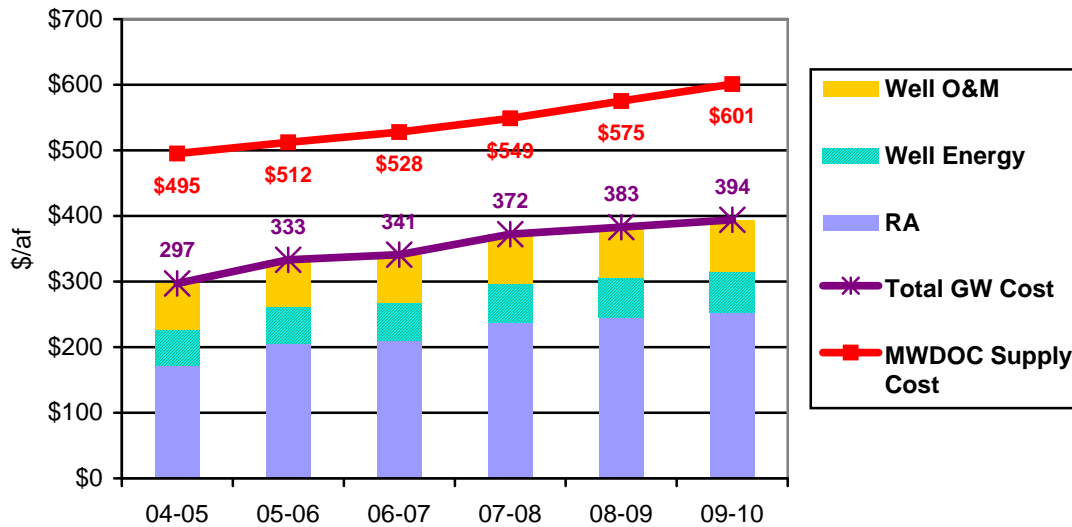
## Summary – Balancing Supply and Demand

The northwest portion of Orange County is heavily dependent on groundwater from the Orange County Groundwater Basin; imported water is used to augment groundwater supplies and to preserve groundwater resources when additional imported supply is available at lower rates during winter. During those periods, the groundwater producers may elect to participate in Metropolitan's in-lieu program, where they purchase excess imported water at the groundwater rate instead of pumping. Recycled water is not available within study area; however, the Groundwater Replenishment System being implemented by OCWD and the Orange County Sanitation District (OCSD) will use highly treated wastewater for groundwater recharge, further improving the reliability and yield of the groundwater basin.

OCWD manages groundwater production from the groundwater basin through setting an annual Basin Pumping Percentage (BPP) based on net water available for pumping divided by net total water demands from the previous year. The BPP is directly related to hydrologic conditions and recent groundwater production. Producers pay a Replenishment Assessment for groundwater producer up to the BPP; production that exceeds the BPP is assessed an additional higher-cost Basin Equity Assessment (BEA) charge to cover the cost of replenishing that groundwater. The BEA rate is based on Metropolitan's Tier II rate (currently \$574 per acre foot) for treated water so there is a financial disincentive for a water purveyor to rely on this source of water supply. The supply cost comparison of groundwater versus imported water through FY 2009-2010 is shown below in Figure 4.3a. Through this methodology OCWD is able to manage the basin resources and provide financial incentive for producers to work cooperatively in reducing any overdraft.



**Figure 4.3a:  
 Groundwater vs Imported Supply Cost Comparison**



Source: Orange County Water District Municipal Service Review, 2006

As members of MWDOC and Metropolitan (Fullerton), the agencies participate in comprehensive conservation programs including rebates, education and public outreach. In addition, each of the water retailers is required to prepare an Urban Water Management Plan (California Water Code Section 10610 et seq.) In addition to their own plans, the MWDOC member agencies participate in MWDOC's Urban Water Management Plan and they all ultimately are considered in Metropolitan's regional Integrated Resource Plan and Urban Water Management Plan. The combined activities of active resource planning and management, along with water use efficiency programs, supports water supply reliability and the long-term balance of water supply and demand.

Water supply sources by city are shown in *Table 4.6* below. *Table 4.7* includes water demand and supply projections for the study area through 2030.



Agency	Imported	Groundwater	Surface Water	Recycled/ Non-potable
<b>Cities</b>				
City of Buena Park	34%	66%	0	0
City of Fullerton*	34%	66%	0	0
City of La Habra	30%	70%	0	0
City of La Palma	24%	76%	0	0
Yorba Linda Water District	55%	45%	0	0
Golden State Water Co.	36%	64%	0	0

Source: MWDOC, Orange County Water Agencies Water Rates Study (2005)

\* Not a MWDOC Member Agency

Agency/Water Supply Source	2005	2010	2015	2020	2025	2030
<b>City of Buena Park</b>						
Water Demand	18,153	18,904	20,334	23,659	23,659	23,659
Water Supply						
Imported Water		5,997	6,491	6,930	7,242	7,242
Groundwater						
<b>City of Fullerton</b>						
Water Demand	32,100	33,100	32,900	32,800	32,600	32,400
Water Supply						
Imported Water	14,200	11,700	10,400	10,300	9,900	10,000
Groundwater	17,900	21,400	22,500	22,500	22,700	22,400
<b>City of La Habra</b>						
Water Demand	11,272	11,825	12,077	12,213	12,284	12,299
Water Supply						
Imported Water		2,225	2,477	2,613	2,684	2,699
Groundwater						



<b>Table 4.7</b>						
<b>Current and Projected Water Supplies</b>						
<b>(in acre feet/year)</b>						
<b>Agency/Water Supply Source</b>	<b>2005</b>	<b>2010</b>	<b>2015</b>	<b>2020</b>	<b>2025</b>	<b>2030</b>
<b><i>City of La Palma</i></b>						
Water Demand	2,617	2,623	2,653	2,706	2,729	2,741
Water Supply						
Imported Water		629	780	824	811	788
Groundwater						
<b><i>Golden State Water Company (includes Cypress, La Palma, Placentia, and all other areas served)</i></b>						
Water Demand	27,692	28,360	29,080	29,868	30,587	31,254
Water Supply	27,692	28,360	29,080	29,868	30,587	31,254
Imported Water	9,939	8,297	8,499	8,717	8,916	9,099
Groundwater	17,753	20,063	20,572	21,151	21,671	22,155
<b><i>Yorba Linda Water District (includes Placentia and all other areas served)</i></b>						
Water Demand	24,587	25,995	26,795	27,273	27,494	27,637
Water Supply	24,631	26,059	26,838	27,317	27,537	27,680
Imported Water	12,987	11,280	12,394	12,694	12,619	12,546
Groundwater	11,644	14,759	14,444	14,623	14,919	15,134

Source: 2005 Urban Water Management Plans for MWDOC, Fullerton, Buena Park, La Habra, La Palma and Yorba Linda Water District

## E. Wastewater

Each of the cities within the study area is responsible for the local sanitary sewer system within their incorporated area, including collection and main lines, and lift stations. The Orange County Sanitation District (OCSD) is responsible for the regional collection and wastewater treatment at the treatment plants in Fountain Valley and Huntington Beach.

In 2002, the California Regional Water Quality Control Board (Santa Ana Region 8) issued an order requiring sewage collection agencies within the region to develop and implement a Sewer System Management Plan (SSMP) by September 2005. This order was issued in response to the significant public health threat from microbial pollution



problems in the ocean waters along Orange County's coast. Subsequently, the State Water Resources Control Board issued Order No. 2006-0003, Statewide General Waste Discharge Requirements for Sanitary Sewer Systems, which supersedes the Regional Board's Order No. R8-2002-0014. Each of the cities within the study area is in compliance with the State Order. The SSMPs are intended to reduce the number of illegal sewer overflows that result in beach closures and other environmental violations. Through plan implementation, cities have instituted more stringent management practices, initiated Fats, Oil, and Grease (FOG) programs, and identified infrastructure needs which have been incorporated into Capital Improvement Programs.

## Wastewater Infrastructure

The following table, *Table 4.8*, summarizes the wastewater infrastructure within the study area:

<b>Agency</b>	<b>Service Area (Sq Miles)</b>	<b>Gravity Sewers (miles)</b>	<b>Force Main (feet)</b>	<b>Pump Stations (No.)</b>
City of Buena Park	10.3	250	0	0
City of Cypress	7.2	111	742	1
City of Fullerton	22	283.5	0	0
City of La Habra	7.5	106	0	XX
City of La Palma	2	25	0	0
City of Placentia	7	.23	0	0

*Source: OCSD, 2000*

### City of Buena Park

For FY 2006-2007, the City has approved funding for \$630,000 in funding for capital improvements to the sanitary sewer system, including rehabilitation of deteriorated manhole interiors, emergency repairs, and a study and evaluation of alternatives to eliminate two sewer siphons which run under the Fullerton Creek Channel. These siphons were identified as a top priority for replacement or upgrading. Sewer main rehabilitation projects estimated at \$195,000 were deferred and not funded in the current year.



## City of Cypress

The majority of Cypress' system was constructed during the late 1950's through the 1970's. The City's 2007 Sewer Master Plan recommends a number of infrastructure improvements to the sewer system, including projects to improve maintenance problems, and fix capacity and structural deficiencies. The Plan estimates capital costs of \$40 million.<sup>7</sup> The City has funded sanitary sewer capital projects at \$150,000 per year for FY 2005-2006 and 2006-2007.

## City of Fullerton

Based on the projected buildout for the City of Fullerton, the City's Drainage Master Plan identifies ultimate capacity requirements and potential deficiencies to be corrected. The report outlines a deficiency priority list for major sewer maintenance; this priority list is reviewed annually. Eleven high priority sewer and storm drain improvement projects will be financed through the Sanitation Fee Program, which is incorporated into the City's water bills. The City also conducts a periodic review of its sewer relief facility priority list and construction of relief sewers in a logical, priority-oriented sequence.

## City of La Habra

The City is responsible for the sanitary sewer collection system serving the city. The City had budgeted \$2 million in the FY2006-2007 capital improvements budget to rehabilitate and replace aging sewer lines.

## City of La Palma

La Palma's 2005 *Sewer Master Plan* recommends a number of upgrades to the sewer system including replacement of some sewer lines as well as cleaning or relining other sections. The recommendations, totaling an estimated \$3.3 million, are phased as follows:

Phase 1 2005-2010: \$1.2 million

Phase 2 2010-2015: \$798,000

Phase 3 2015-2020: \$931,000

<sup>7</sup> Provided by the City of Cypress, Comments on Municipal Service Review.



Phase 4: 2020-2025: \$325,000

For FY 2006-2007, the City has approved \$282,700 in capital projects, including longitudinal crack repairs and sewer line cleaning.

## City of Placentia

The City of Placentia's 2005 *Sewer Master Plan* identifies approximately \$1.9 million in capital projects to improve the sewer system under the City's jurisdiction (Yorba Linda Water District provides sewer service to a portion of the city). To provide a dedicated source of funding to implement its Sewer System Management Plan, Placentia has adopted, Placentia has adopted a Sanitary Sewer Maintenance Fee, with revenues used for the sanitary sewer collection system, including maintenance and operations, reserves, capital improvements, administration, and billing costs.

## Summary

The cities within northwest Orange County have aging sewer collection systems requiring increased maintenance and capital improvements. In addition, regulatory requirements are becoming increasingly stringent to minimize the potential for water quality impacts due to wastewater system overflows or failure. The cities are responding to this by preparing master plans for their wastewater systems to identify capital needs and implementing Sewer System Management Plans. Capital improvements are funded to the extent possible given budget constraints; however deferred maintenance is common and there remains a significant number of unfunded capital projects for sewer collection systems. Sewer maintenance programs provide the most efficient and cost-effective means of maintaining sewer system assets.



## F. Parks & Recreation

The provision of park and recreation facilities is addressed in the General Plans, budgets and Capital Improvement Plans prepared by the cities. *Table 4.9* summarizes existing and proposed public parks within the study area.

<b>Table 4.9 Public Park Facilities</b>	
<b><i>Regional Parks</i></b>	<b>acres</b>
Craig Regional (County of Orange)	124
Ralph B. Clark (County of Orange)	51
<b><i>Community Parks (~20-50 acres)</i></b>	
George Bellis Park (Buena Park)	22
Henry Boisseranc Park (Buena Park)	20
La Bonita Park (La Habra)	23
Vista Del Valle Park (La Habra)	27
Oak Knoll Park (Cypress)	22
Hillcrest Park (Fullerton)	44
Laguna Lake Park (Fullerton)	28
<b><i>Neighborhood Parks (~0.1-20 acres)</i></b>	<b># of parks</b>
City of Buena Park	9 parks
City of Cypress	18 parks
City of Fullerton	29 parks
City La Habra	21 parks
City of La Palma	1 park
City of Placentia	12 parks

The City of Buena Park has a Recreation, Parks & Community Services Department that offers a wide variety of recreation, sports and cultural activities, senior programs, services and events for all age groups. It is responsible for maintaining and developing all public parks and facilities as well as the Walter D. Ehlers Community Recreation



Center, the Department's Administrative Offices, and for providing graffiti removal services to the entire community.

The Cypress Recreation and Parks District is a dependent special district which is responsible for managing the City's 19 park facilities and recreation programs. There are 5 community facilities which host many of the City's recreational programs. The Cypress Parks and Recreation Commission recommends program policy to the City Council.

The City of Fullerton's Parks and Recreation Department provides a wide range of programs to the community in the following areas: human, leisure and cultural services; special event production; and development and operation of various facilities and parklands. The department is guided by the Parks and Recreation Commission, whose responsibility is to review development projects with respect to parks and recreation and to recommend program policy to the City Council.

The City of La Habra manages its 23 parks through its Parks Maintenance Division. The Parks Division also maintains all of the facilities in the parks including buildings, playground equipment, bleachers, monuments and recreational fields.

The City of La Palma manages its 5 park facilities and recreation programs through its Recreation Department.

The City of Placentia manages its park facilities and recreation programs through its Community Services Department. The department also manages recreational facilities and has a cultural arts section which plans summer concerts in the park and the City's annual Festival of Arts and Cultures.

## Summary

Growth within the northwest county region will result in increased use of parks and recreational facilities, which will intensify maintenance needs and accelerate the need for some capital improvements and refurbishment. Each agency or organization responsible for parks and recreations establishes improvement projects and acquisitions as funding is available.



## G. Animal Control Services

The Cities of Cypress, Fullerton, La Palma and Placentia contract with Orange County Animal Care Services, a division of the Orange County Health Care Agency, to provide animal control services within their respective cities. The County's Animal Care Facility is located on the City Drive in Orange.

### Cities of Buena Park and La Habra

The City of La Habra provides animal control services through its police department. The City also has a contractual agreement, first implemented in 1994, with the City of Buena Park that provides animal control enforcement services. Animal control officers are responsible for enforcing state laws and municipal codes concerning animals, managing all complaints related to animals, and assisting police officers in resolving a variety of problems involving animals. All matters involving live animals have top priority and every effort is made to keep lost pets safe and to return them to their owners. Animal sheltering services for both cities are provided through a contract with the County of Orange.

## H. Library Services

Buena Park and Placentia are served by two independent library districts. The City of Fullerton has its own public library system. The Orange County Public Library (OCPL) manages and operates branches located in Cypress, La Habra and La Palma.

In addition to overseeing daily library operations, the OCPL provides information programs and services for youth and adults, including an adult literacy program and children's story time. There is one branch each located in Cypress, La Habra and La Palma.

The Buena Park Library District was formed in 1919, under the Education Code of California (Sections 18900-18965). The district has a five-member, elected Board of Trustees, and serves a population of 81,000 in a service area of 12.4 miles. The District has one library located in Buena Park.<sup>8</sup>

The Placentia Library District was also formed in 1919, and serves 50,800 residents in a seven square-mile area. The service territory is mostly contiguous with the City

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<sup>8</sup>Buena Park Library District is reviewed in the Buena Park Library District Municipal Service Review and Sphere of Influence Study, 2005.



boundaries, but includes two areas outside of the City. The District operates one library located in the City of Placentia.<sup>9</sup>

The City of Fullerton has its own library system, with a governing Board of Trustees appointed by members of the Fullerton City Council. There are two branch libraries in Fullerton.

## I. Summary

The northwest portion of Orange County will experience increased demands for services due to population growth. Infrastructure systems and facilities, such as water and wastewater, are aging and require increased maintenance as well as capital investment for rehabilitation and improvements. The cities have planned for these needs through master plans, budgeting and Capital Improvement Programs. New development shares in the costs for system improvements, and the cities are addressing the needs as funding allows.

A review of services provided to the northwest region revealed multiple providers that include cities, special districts, the County, and a private company. The County of Orange is responsible for providing municipal-level services to the unincorporated areas and routinely crosses city boundaries to provide those services. Presently, there are relatively few existing agreements for shared service provision among the cities, special districts, County and other neighboring agencies adjacent to the MSR area. In some cases, the presence of multiple providers and lack of clear boundaries result in overlapping and/or duplicative service provision and confusion to the end user.

The Northwest Orange County MSR agencies may benefit from exploring opportunities that may improve the delivery of services within the area. Consumers expect the most cost effective and efficient service delivery available and there may be alternatives for providing services in the areas of law enforcement, police protection, and water service. In the past, the County of Orange has expressed a desire to no longer provide municipal services to the area. With that, now may be the appropriate time to explore the improvement of the current system for providing services to unincorporated areas.

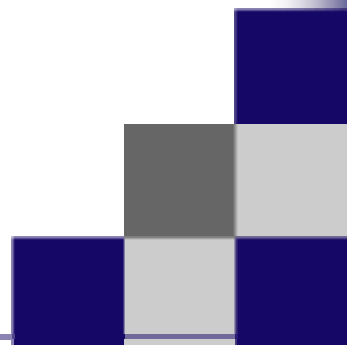
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<sup>9</sup>Placentia Library District is reviewed in the Placentia Library District Municipal Service Review and Sphere of Influence Study, 2005.



# Section 5:

## FINANCING OPPORTUNITIES & CONSTRAINTS





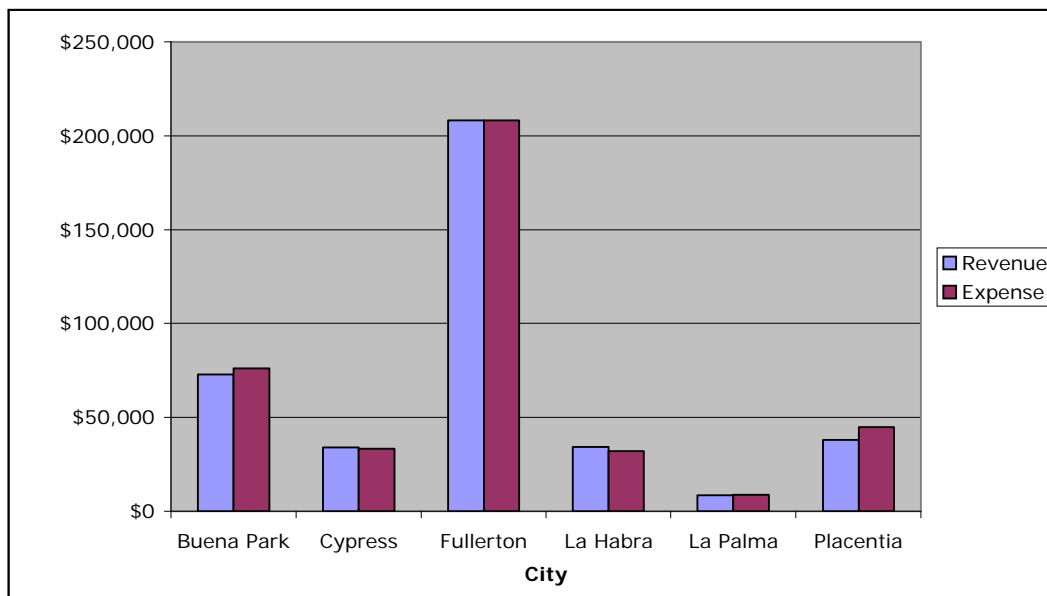
# FINANCING OPPORTUNITIES & CONSTRAINTS

## A. Financial Overview

The cities addressed in this MSR have generally experienced increasing revenues in the past year, with increased property taxes, sales taxes, and the elimination of State-imposed revenue shifts. These positive trends are a factor of a robust economy, which will likely be tempered over the next few years due to increased interest rates and a change in the real estate markets.

The total budgeted revenue and expenses for each of the six cities for FY 2006-2007 is shown in *Figure 5.1*.

**Figure 5.1**  
**FY 2006-2007 Budgeted Revenue and Expenses**





## B. Financial Summaries

The following *Tables 5.1* through *5.6* summarize each city's five-year financial history.

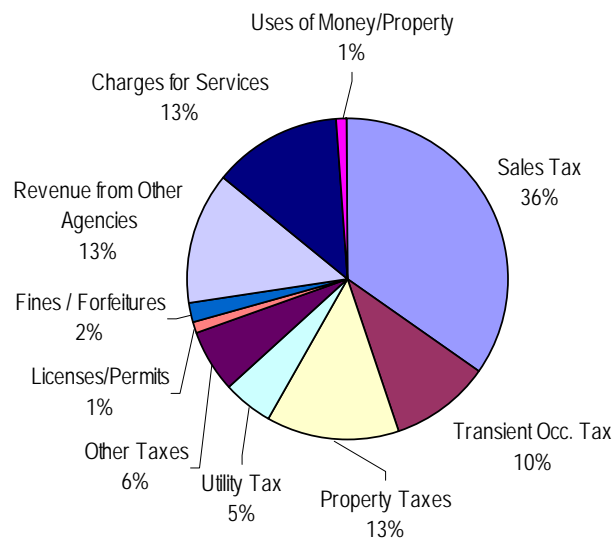
<b>Table 5.1</b>					
<b>City of Buena Park's Five-Year Financial Summary</b>					
<b>Finances</b>	<b>FY 01-02 Actual</b>	<b>FY 02-03 Actual</b>	<b>FY 03-04 Actual</b>	<b>FY 04-05 Actual</b>	<b>FY 05-06 Actual</b>
<b>Revenue:</b>					
Taxes	27,483,399	27,784,363	29,528,275	30,671,568	34,143,881
Licenses & Permits	564,318	437,915	435,503	760,797	556,841
Intergovernmental Revenues	5,001,858	4,858,579	4,561,271	5,657,823	6,052,041
Charges for Current Services	6,034,898	4,980,813	4,659,431	4,955,521	6,236,719
Fines & Forfeitures	964,714	984,759	851,104	1,125,092	1,010,864
Investment Income	1,035,737	804,615	308,723	453,621	512,821
Interest on RDA Advances	2,719,487	0	0	0	
Other	186,212	0	122,251	106,212	420,674
<b>Total Revenue</b>	<b>43,990,623</b>	<b>39,887,043</b>	<b>40,466,558</b>	<b>43,730,634</b>	<b>48,933,841</b>
<b>Expenses:</b>					
General Government	4,485,089	4,966,942	4,725,764	4,931,733	5,328,751
Leisure	1,342,615	1,482,642	1,535,809	1,552,760	1,692,191
Transportation	3,361,698	3,614,307	3,539,215	3,889,667	4,619,787
Development	1,266,560	1,278,237	1,199,504	1,239,149	1,503,804
Environmental	1,968,237	2,108,615	2,189,176	2,239,975	2,369,522
Health	2,317,438	2,396,739	2,285,113	2,524,302	2,592,106
Debt Service	212,223	206,827	206,910	206,380	207,913
Public Protection	18,551,813	19,787,985	21,578,130	23,196,801	25,607,168
Capital Outlay	243,141	0	2,064,003	676,156	804,920
<b>Total Expenses</b>	<b>33,748,814</b>	<b>35,842,294</b>	<b>39,323,624</b>	<b>40,456,923</b>	<b>44,726,162</b>
<b>Total Excess Revenue/Expense</b>	<b>10,241,809</b>	<b>4,044,749</b>	<b>1,142,934</b>	<b>3,273,711</b>	<b>4,207,679</b>
<b>Transfers In/Out (General Fund)</b>	<b>(4,050,639)</b>	<b>(8,046,331)</b>	<b>(2,368,257)</b>	<b>(5,622,372)</b>	<b>(1,149,753)</b>
<b>Total General Fund Balance</b>	<b>30,859,655</b>	<b>27,251,236</b>	<b>25,649,652</b>	<b>23,300,991</b>	<b>26,358,917</b>



Special Revenue & Governmental Funds Fund Balance					
Special Revenue	19,784,838	0	6,083,682	8,921,990	12,566,719
Redevelopment Agency Debt Service	0	11,183,867	13,566,933	20,380,238	30,794,813
Debt Service	16,469,454	0	0	0	0
Capital Projects	7,745,526	13,126,213	11,503,045	9,547,354	7,460,538
Non-major Governmental Funds	0	21,981,788	11,680,366	15,668,578	13,125,690
<b>Total Fund Balance, End of Year</b>	<b>74,859,473</b>	<b>73,543,104</b>	<b>68483678</b>	<b>77,819,151</b>	<b>90,306,677</b>

As shown in *Figure 5.1a* below, Buena Park's primary sources of General Fund revenues are sales tax, property tax, and transient occupancy tax.

**Figure 5.1a Buena Park General Fund Revenue Sources**  
 FY 2006-2007 Budget



The City's budget increased 9.4% overall from FY 2005-2006, including an 8.9% increase for operations and a 14% increase for capital improvements. The FY 2006-2007 adopted budget reflects the third year with an operating deficit in the General Fund. General Fund requirements for FY 2006-2007 increased 11.7% over the prior year, primarily due to higher labor costs. The General Fund deficit was funded for FY 2006-2007 with undesignated fund balance. There is also concern over continued deficit spending in



the Water Fund, and the City may be seeking a water rate increase. Moderate economic growth is anticipated over the next few years.



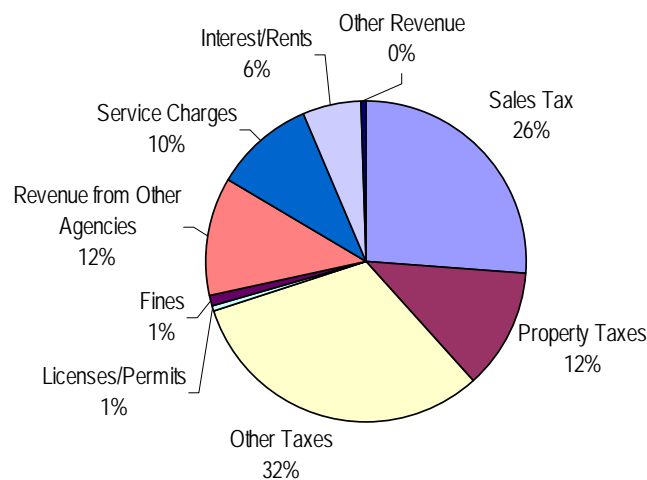
**Table 5.2**  
**City of Cypress' Five-Year Financial Summary**

Finances	FY 01-02 Actual	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Actual
<b>Revenue:</b>					
Taxes	17,572,381	17,069,453	18,460,324	21,623,773	23,910,720
Licenses & Permits	331,462	342,627	433,027	494,598	300,532
Intergovernmental Revenues	2,926,070	3,009,327	2,448,293	1,373,687	566,055
Charges for Current Services	2,001,277	2,106,499	2,230,597	2,314,134	2,177,618
Fines & Forfeitures	289,594	226,121	205,692	184,871	222,507
Use of Property	2,014,052	1,476,583	825,658	1,507,616	2,188,420
Other	567,850	99,784	146,714	164,520	119,023
<b>Total Revenue</b>	<b>21,350,616</b>	<b>24,330,394</b>	<b>24,750,305</b>	<b>27,663,199</b>	<b>29,484,875</b>
<b>Expenses:</b>					
General Government	2,354,003	2,517,816	2,656,092	2,711,140	2,781,941
Community Development	1,121,991	1,170,892	1,253,731	1,297,767	1,285,645
Public Works	4,608,950	5,112,062	5,246,865	5,368,362	4,986,464
Public Safety	9,434,709	10,324,521	11,076,199	11,545,694	11,631,900
Capital Outlay	268,680	0	0	0	0
<b>Total Expenses</b>	<b>17,788,333</b>	<b>19,125,291</b>	<b>20,232,887</b>	<b>20,922,963</b>	<b>20,685,950</b>
<b>Total Excess Revenue/Expense</b>	<b>7,882,008</b>	<b>5,205,103</b>	<b>4,517,418</b>	<b>6,740,236</b>	<b>8,798,925</b>
<b>Transfers In/Out (General Fund)</b>	<b>(6,628,536)</b>	<b>(1,980,929)</b>	<b>(1,375,275)</b>	<b>(5,610,897)</b>	<b>(1,906,296)</b>
<b>Total General Fund Balance</b>	<b>39,634,108</b>	<b>42,858,282</b>	<b>46,000,425</b>	<b>47,129,764</b>	<b>54,022,393</b>
<b>Special Revenue &amp; Governmental Funds Fund Balance</b>					
Special Revenue	2,699,650	3,104,666	3,679,760	3,667,927	4,370,938
Debt Service	1,719,081	(26,448,203)	(25,193,134)	(19,761,510)	(17,124,350)
Capital Projects	31,531,388	35,333,135	35,926,289	27,046,769	24,231,891
Other Governmental Funds	13,572,972	14,125,558	14,743,771	18,757,838	20,454,123
<b>Total Fund Balance, End of Year</b>	<b>89,157,199</b>	<b>68,973,438</b>	<b>75,157,111</b>	<b>76,840,788</b>	<b>85,954,995</b>



Cypress is experiencing increased revenues from sales tax, property taxes, State backfill of vehicle license fees, and transient occupancy taxes. As shown in *Figure 5.2a* below, Cypress' primary sources of General Fund revenues are sales tax, property tax, and other taxes, a category which includes a 10% transient occupancy tax, franchise fees, business license tax, and the State's property tax backfill for motor vehicle license fees and sales tax.

**Figure 5.2a Cypress General Fund Revenue Sources**  
FY 2006-2007 Budget



The City's budget increased 15.8% overall from FY 2005-2006, including a 3.3% increase in the General Fund. The City is projecting a combined ending balance of \$30.7 million for all funds at June 30, 2007, including \$1.9 million in the General Fund and \$10.7 million in the Capital Projects Fund.

The City has a policy of fully-funding the capital outlay replacement schedule, along with the employee benefit and self-insurance liabilities. The City also has a policy of maintaining a 25% Contingency Reserve in the General Fund as well as a 30% reserve policy for a cash flow/emergency reserve in the CIP fund. For FY 2006-2007, the City projects revenues/sources to exceed expenditures/uses by approximately \$3.8 million. This will be set aside to pre-fund future CIP projects or fund the increase in the 25% Contingency Reserves.

Funded City objectives within the FY 2006-2007 budget include the following:

- Economic development and marketing services to enhance retail development
- Promoting and expanding the City's image through various means



- Contracts for a CCTV inspection of the sewer system, GIS enhancements, increased tree trimming services, and setting aside adequate replacement funds for infrastructure needs
- Funding for Community Oriented Policing, the replacement of 7 vehicles and a motorcycle
- Fostering City participation at the regional level.

### Cypress Recreation and Park District

The Cypress Recreation and Park District is a dependent special district, governed by the Cypress City Council. The City also has a Recreation and Parks Advisory Commission, which makes recommendations to the Council on the District and the services it provides. The District's revenues include a portion of the 1% property tax, user fees, and special funding such as grants, subventions, etc. Expenses are restricted to recreation and park activities, including park maintenance and recreation programs.

The District is also responsible for the Park Development Fund, which accounts for the development fees collected under the Quimby Act.

The District's FY 2006-2007 budget includes \$4.1 million in revenues, \$4.0 million in operating expenses, and \$382,000 in capital expenditures. The projected fund balances at June 30, 2007 include \$3.3 million in the District's General Fund and \$575,000 in the Park Development Fund. For FY 2006-2007, 33% of the operating budget is used for recreation programs, 21% is for management and advisory commission services, and 46% is for maintenance of park and community facilities.



**Table 5.3  
City of Fullerton's Five-Year Financial Summary**

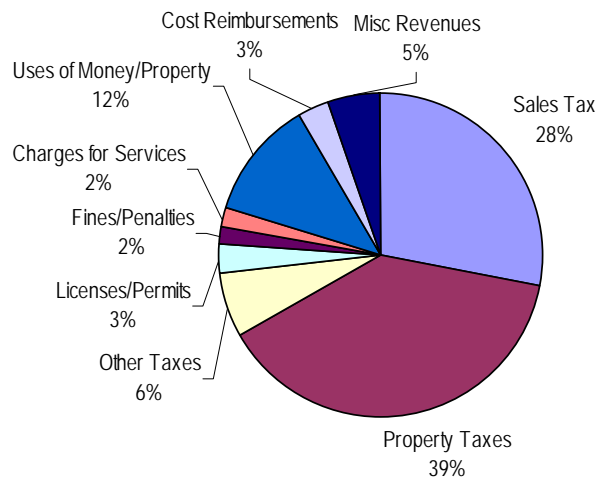
Finances	FY 01-02 Actual	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Actual
<b>Revenue:</b>					
Taxes	30,572,935	33,307,189	35,522,122	44,004,707	49,859,843
Franchise Fees	4,190,896	4,147,282	2,675,975	2,864,320	3,127,153
Licenses & Permits	2,121,089	2,592,403	1,818,618	1,534,769	1,731,542
Intergovernmental Revenues	7,234,678	7,463,134	6,022,679	2,972,005	1,052,240
Charges for Current Services	7,597,332	7,642,323	7,911,492	2,696,143	9,530,568
Fines & Forfeitures	1,577,068	1,518,009	2,083,862	1,025,835	2,958,391
Investment Income	3,109,518	2,526,839	2,137,207	2,058,973	1,850,806
Payments In-Lieu of Taxes	119,000	124,000	1,901,822	19,56,794	2,274,917
Other	1,347,324	984,850	1,143,580	9,587,693	4,319,242
<b>Total Revenue</b>	<b>57,869,840</b>	<b>603,06,029</b>	<b>61,217,357</b>	<b>68,701,239</b>	<b>76,704,702</b>
<b>Expenses:</b>					
General Government	4,276,673	44,58,714	3,288,894	3,816,097	40,267,48
Community Development	2,901,917	2,920,707	2,486,897	2,431,122	2,887,880
Public Works	10,290,967	10,550,205	10,402,146	10,918,354	11,433,647
Public Safety	33,666,068	35,252,443	38,449,597	43,276,463	46,050,649
Human and Leisure	3,935,880	4,064,644	3,867,995	3,952,611	3,901,102
Debt Service	1,067,586	539,254	425,898	697,569	827,557
<b>Total Expenses</b>	<b>56,139,091</b>	<b>57,785,967</b>	<b>58,921,427</b>	<b>65,092,216</b>	<b>69,127,583</b>
<b>Total Excess Revenue/Expense</b>	<b>1,730,749</b>	<b>2,520,062</b>	<b>2,295,930</b>	<b>3,609,023</b>	<b>7,577,119</b>
<b>Transfers In/Out (General Fund)</b>	<b>(3,212,998)</b>	<b>(603,158)</b>	<b>(1,564,245)</b>	<b>(1,951,817)</b>	<b>(1,291,182)</b>
<b>Total General Fund Balance</b>	<b>19,745,463</b>	<b>21,662,367</b>	<b>22,394,052</b>	<b>24,051,258</b>	<b>30,409,195</b>
<b>Special Revenue &amp; Governmental Funds Fund Balance</b>					
Special Revenue	34,808,976	20,394,351	30,052,315	32,062,681	32,598,873
Debt Service	12,590,009	0	0	0	0



Capital Projects	27,913,561	13,261,097	12,401,795	5,183,182	71,522,268
Other Governmental Funds	0	40,115,296	40,524,375	44,785,711	55,056,951
<b>Total Fund Balance, End of Year</b>	<b>95,058,009</b>	<b>95,433,111</b>	<b>105,372,537</b>	<b>106,082,832</b>	<b>189,587,287</b>

Fullerton is experiencing strong growth in property taxes and sales taxes, which comprise approximately 67% of the City's General Fund revenue.

**Figure 5.3a Fullerton General Fund Revenue Sources**  
 FY 2006-2007 Budget



Fullerton prepares a bi-annual budget, with mid-year revisions to adjust for changes in future expectations. The City has a policy to maintain a 10% General Operating Fund reserve. The City's projected combined ending fund balance at June 30, 2007 is \$42.4 million.

The FY 2006-2007 budget includes \$115.7 million in City services and \$62 million in capital improvements. The FY 2006-2007 CIP budget includes the following major items:

- Fire Station Improvements and Upgrades - \$350,000
- Downtown Security Cameras - \$500,000
- Reconstruction, rehabilitation and repair projects for streets - \$2.5 million
- Street and highway projects - \$6.2 million



- Airport projects - \$4.2 million
- Sewer and drainage projects - \$6.6 million
- Water system projects - \$675,000
- Resource management projects (park facilities) - \$5.4 million
- Land use projects - \$6.9 million



**Table 5.4  
 City of La Habra's Five-Year Financial Summary**

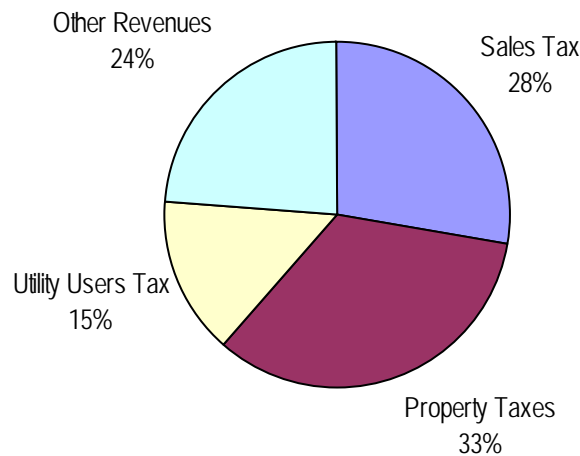
Finances	FY 01-02 Actual	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Actual
<b>Revenue:</b>					
Property Taxes & Special Assessments			6,130,846	9,635,031	
Sales & Use Tax			8,222,600	8,580,008	
Utility Users Tax			4,712,780	4,765,367	
Licenses & Permits			2,659,088	2,609,181	
Intergovernmental Revenues			2,800,517	1,696,647	
Charges for Current Services			4,033,241	4,070,081	
Fines & Forfeitures			557,614	624,665	
Use of Money and Property			408,400	555,489	
<b>Total Revenue</b>			<b>29,525,086</b>	<b>32,536,469</b>	
<b>Expenses:</b>					
General Government			3,818,055	3,589,436	
Community Services			2,333,237	2,538,512	
Community Development			1,037,964	1,161,586	
Public Works			4,105,215	4,261,413	
Public Safety			16,536,673	18,055,069	
Capital Outlay			81,568	26,556	
Debt Service			290,338	45,162	
<b>Total Expenses</b>			<b>28,203,050</b>	<b>29,677,734</b>	
<b>Total Excess Revenue/Expense</b>			<b>1,322,036</b>	<b>2,858,735</b>	
<b>Transfers In/Out (General Fund)</b>			<b>(1,540,954)</b>	<b>(1,466,047)</b>	
<b>Total General Fund Balance</b>		<b>9,062,377</b>	<b>8,843,459</b>	<b>10,236,147</b>	
<b>Special Revenue &amp; Governmental Funds Fund Balance</b>					
Redevelopment Capital Projects		(869,352)	(2,593,113)	(5,013,971)	
Other Capital Projects		12,287,497	12,771,964	9,435,995	



Other Non-major Funds		5,679,454	4,831,142	3,098,608	
<b>Total Fund Balance, End of Year</b>		<b>26,159,976</b>	<b>23,853,452</b>	<b>17,756,779</b>	

La Habra’s primary sources of General Fund revenue are sales tax, property tax and a Utility User’s tax.

**Figure 5.4a La Habra General Fund Revenue Sources**  
 FY 2006-2007 Budget



Voters within the City of La Habra have defeated measures to extend the existing 6% Utility User’s Tax at 4.5% indefinitely (November 2005) and to establish a new 10% Transient Occupancy Tax (November 2006). The current Utility User’s Tax will sunset on December 31, 2007.

The budget for FY 2006-2007 includes General Fund revenues of \$34.3 million and expenditures of \$31.9 million. The City is working on several Capital Improvement Projects totaling \$31.1 million, including the following:

- Imperial Highway “Smart Street” Project - \$13 million
- Construction of a new Los Angeles County Fire Station No. 194 - \$5.2 million
- Sewer Rehabilitation - \$2 million
- Vista Grande Landfill Remediation - \$2.3 million
- Water Main Replacement - \$500,000



- Water Pump Station Construction - \$2 million
- Water Reservoir Cover Replacement - \$1.2 million
- Street and Roadway Improvements - \$4.9 million



**Table 5.5  
 City of La Palma's Five-Year Financial Summary**

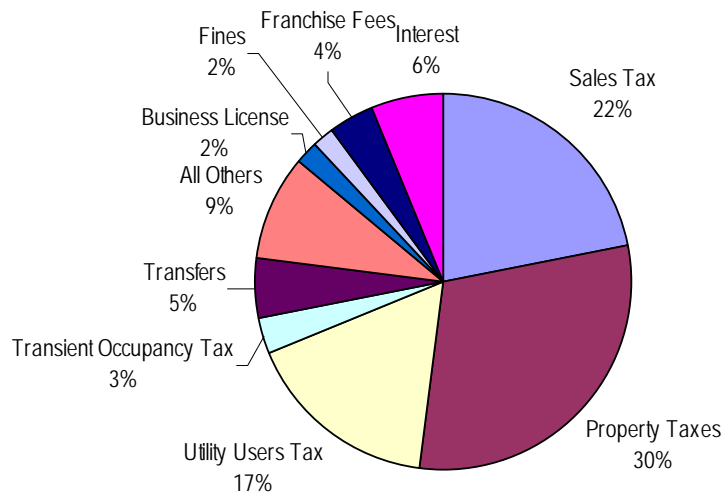
Finances	FY 00-01 Actual	FY 01-032 Actual	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual
<b>Revenue:</b>					
Taxes	4,748,251	4,753,508	4,571,604	6,932,940	7,520,300
Licenses & Permits	223,556	226,618	268,441	247,974	251,721
Intergovernmental Revenues	904,933	912,611	925,172	740,858	1,299,068
Charges for Current Services	369,790	416,163	439,062	480,289	450,595
Fines & Forfeitures	158,922	173,375	164,329	146,619	136,056
Investment Income	536,710	528,983	335,869	413,478	524,701
Rental Income	36,832	257,470	148,219	145,556	149,427
Other	430,322	302,018	305,762	282,695	287,971
<b>Total Revenue</b>	<b>7,409,316</b>	<b>7,570,746</b>	<b>7,158,458</b>	<b>9,393,409</b>	<b>10,619,839</b>
<b>Expenses:</b>					
General Government	1,654,224	1,523,844	1,471,025	1,869,958	1,568,188
Community Development	1,246,934	1,281,333	420,421	375,326	377,273
Public Works	470,156	476,244	508,674	502,103	623,289
Public Safety	3,536,085	3,602,160	3,631,629	3,729,401	4,086,800
Capital Outlay	397,959	181,348	159,301	159,836	148,110
Recreation	0	0	1,137,569	1,131,298	1,164,230
<b>Total Expenses</b>	<b>7,305,358</b>	<b>7,064,929</b>	<b>7,328,619</b>	<b>7,767,922</b>	<b>7,967,890</b>
<b>Total Excess Revenue/Expense</b>	<b>103,958</b>	<b>505,817</b>	<b>(170,161)</b>	<b>1,625,487</b>	<b>2,651,949</b>
<b>Transfers In/Out</b>	<b>384,800</b>	<b>362,500</b>	<b>497,000</b>	<b>470,200</b>	<b>356,100</b>
<b>Total General Fund Balance</b>	<b>7,937,371</b>	<b>8,805,688</b>	<b>9,132,527</b>	<b>11,228,214</b>	<b>14,236,263</b>
<b>Special Revenue &amp; Governmental Funds Fund Balance</b>					
Special Revenue	2,861,934	2,425,017	1,609,260	1,861,686	2,120,705
Debt Service	906,976	974,776	(470,951)	(116,609)	424,265
Capital Projects	6,026,102	6,242,138	6,651,542	6,494,452	6,068,247



Non-major Governmental Funds	0	0	847,092	711,774	931,268
<b>Total Fund Balance, End of Year</b>	<b>17,732,383</b>	<b>184,47,619</b>	<b>17,769,470</b>	<b>20,179,517</b>	<b>23,780,748</b>

The City of La Palma’s revenue base is heavily dependent on sales and property taxes generated by commercial entities. Approximately 65% of La Palma’s General Fund revenues are generated from the business sector. Sales tax is the largest source of revenue, comprising about 40% of the General Fund. The majority of the sales tax revenue comes from six (6) businesses; due to a change in sales tax reporting for certain businesses, the City experienced a significant decline in revenue over FY 2005-2006 levels. As a result, the City reduced organizational expenditures and used reserves to balance the FY 2006-2007 budget. The City is working to minimize impacts to front-line services while strategically and incrementally balancing the budget over the next two years.

**Figure 5.5a La Palma General Fund Revenue Sources**  
 FY 2006-2007 Budget



For the FY 2006-2007, the expenditures exceed expected revenues by \$330,800 resulting in a relatively small impact to the estimated \$8 million balance in General Fund Reserves. The City is working to bridge the structural budget deficit through holding growth in expenditures to a minimum and implementing new policies. The City recently adopted a policy which uses the “normal” costs for certain ongoing expenditures when budgeting. When actual costs are lower than normal costs, the City



intends to reserve the difference to build up reserves. Similarly, the City will use reserves to bridge the gap when actual costs exceed normal costs. A second policy states that the City should make annual budget allocations to the Capital Outlay Reserve based on short-term and long-term needs and identified projects. The allocations are to be made from total General Fund revenues rather than particular revenue sources, which supports the City's efforts to have long-term resiliency to changing economic conditions.

La Palma uses a five-year planning timeframe for its Capital Improvement Program with funding approved for the current year only. For FY 2006-2007, the City has approved \$5.3 million in CIP projects, including the following:

- Water System Improvements - \$621,800
- Storm Drains - \$100,000
- Sewers - \$282,700
- Arterial Street Rehabilitation - \$806,900
- Community Center and Parks - \$2,664,500
- City Hall Facilities - \$394,100
- Traffic Signals - \$82,500
- Tree Replacement Program - \$20,000
- Ongoing Projects - \$302,000



**Table 5.6**  
**City of Placentia's Five-Year Financial Summary**

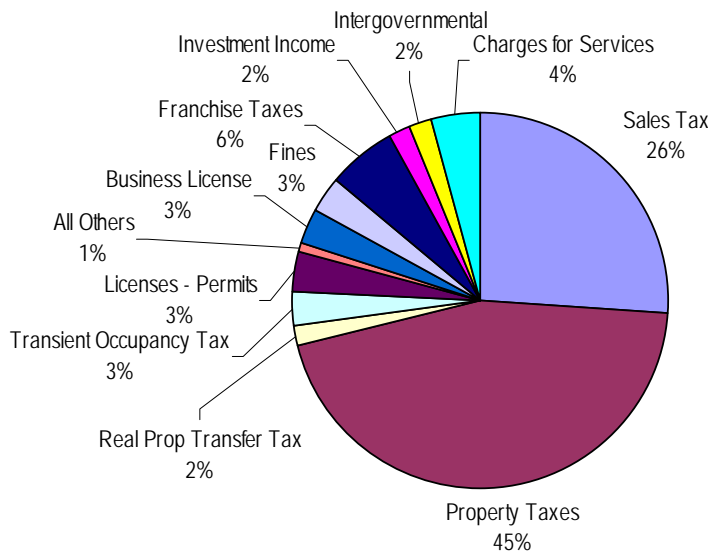
Finances	FY 01-02 Actual	FY 02-03 Actual	FY 03-04 Actual	FY 04-05 Actual	FY 05-06 Actual
<b>Revenue:</b>					
Property Taxes	4,426,526	4,966,137	5,444,953	8,285,564	need CAFR
Sales & Use Taxes	5,214,489	5,351,279	5,902,477	4,252,155	
Other Taxes	2,689,167	2,581,214	4,853,016	3,987,398	
Licenses & Permits	765,595	789,712	658,775	574,589	
Refunds and Reimbursements	0	0	0	0	0
Charges for Current Services	515,970	447,587	752,230	1,175,905	
Fines & Forfeitures	324,419	330,242	314,787	401,591	
Investment Income	294,014	203,108	83,304	122,166	
Use of Money & Property	0	0	0	0	0
Intergovernmental	2,961,908	2,761,014	660,683	1,502,505	
Other	509,056	424,087	136,970	1,200,587	
<b>Total Revenue</b>	<b>17,901,144</b>	<b>17,854,380</b>	<b>18,807,195</b>	<b>21,502,460</b>	
<b>Expenses:</b>					
General Government	3,173,497	3,083,279	2,834,427	3,418,277	
Community Services	1,689,503	1,638,670	1,809,892	1,837,582	
Public Works	4,066,044	4,167,048	3,722,497	3,862,878	
Public Safety	12,652,504	12,439,147	13,194,894	13,385,700	
Capital Outlay	573,461	91,071	172,413	5,748,994*	
Debt Service	358,520	514,501	632,912	1,013,884	
<b>Total Expenses</b>	<b>22,513,529</b>	<b>22,107,956</b>	<b>22,367,035</b>	<b>29,267,315</b>	
<b>Total Excess Revenue/Expense</b>	<b>(4,612,385)</b>	<b>(4,253,576)</b>	<b>(3,559,840)</b>	<b>(7,764,855)</b>	
<b>Transfers In/Out (General Fund)</b>	<b>6,697,712</b>	<b>2,955,356</b>	<b>9,886,645</b>	<b>6,666,155</b>	
<b>Total General Fund Balance</b>	<b>7,154,156</b>	<b>5,922,847</b>	<b>12,249,652</b>	<b>11,150,952</b>	
<b>Special Revenue &amp; Governmental Funds Fund Balance</b>					



Special Revenue	(53,776)	2,180,918	2,373,488	3,684,944	
Debt Service	949,643	497,550	0	0	
Capital Projects	6,732,947	6,260,649	0	(23,891,773)	
Non-major Governmental Funds	0	414,364	5,825,976	5,144,846	
<b>Total Fund Balance, End of Year</b>	<b>14,782,970</b>	<b>15,276,328</b>	<b>20,449,116</b>	<b>(3,941,031)</b>	

A majority of Placentia’s General Fund revenue is provided through sales tax and property tax revenues as shown in *Figure 5.6a* below. The City has a Utility Users Tax with the revenue currently used for debt reduction. The City has experienced significant financial constraints in the past few years due to ONTRAC financial issues and is working diligently to regain financial stability. General Fund reserves are estimated to be between \$1.5 and \$2 million at June 30, 2007, approximately 7% of the General Fund budget.

**Figure 5.6a Placentia General Fund Revenue Sources**  
 FY 2006-2007 Budget



In order to address the financial issues, the City Council has adopted the following goals: 1) establish financial stability; 2) continue to work towards constructing grade separations as a priority; 3) continue efforts to develop the Transit-Oriented



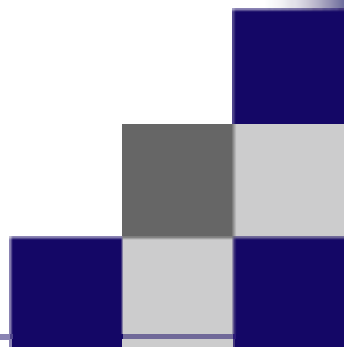
Development area including Old Town; and 4) develop a strategy for upgrading and maintaining City facilities. With these priorities in place, City staff has identified options which provide long-term financial benefit. These include retiring the debt for the 2004 Office Depot Certificates of Participation (used to purchase the commercial site) that will relieve the City of approximately \$500,000 in debt service per year. The payoff of the 2001 Capital Lease will relieve an additional \$193,000 in debt service. The City's remaining debt will be approximately \$13 million.

The ONTRAC Joint Powers Authority was established in 2000 by the City of Placentia and the City of Placentia Redevelopment Agency as a means to develop and implement solutions to the issues arising from increased train traffic on the BNSF mainline which traverses the city. ONTRAC will implement rail/vehicle traffic congestion solutions as well as rail crossing safety improvements and creating a quiet zone. ONTRAC is managed by the Executive Director/Public Works Director. The operations and capital activity of the JPA are financed by contributions from the City which are intended to be repaid with future grants. As of June 30, 2005, the General Fund receivable balance was \$16.6 million. In FY 2005-2006, ONTRAC received suspended state transportation funds including \$11.8 million in Traffic Congestion Relief Program funds and \$3.3 million in State Transportation Improvement Program Funds. ONTRAC was awarded \$31.25 million in the SAFETEA-LU Bill and the City is working to acquire those funds. In the FY 2006-2007 budget, \$550,150 was budgeted to be transferred from the General Fund to the ONTRAC General Fund. The estimated ONTRAC fund balances at June 30, 2007 are (\$825,850) in the General Fund and (\$15,121,440) in the Capital Fund.



# Section 6:

## ECONOMIES OF SERVICE





# ECONOMIES OF SERVICE

This section combines the required determinations for rate restructuring, cost avoidance opportunities, shared facilities, and evaluation of management efficiencies.

## A. Rate Restructuring

The following section provides an overview of the rate structures in use by the agencies addressed in this service review.

### Police Services

Each City in the MSR area maintains its own Police Department; therefore, there are no fees for contracting with other departments. Orange County Sheriff Department and California Highway Patrol provide police protection services and traffic enforcement for the unincorporated Orange County areas.

### Fire & Emergency Services

Member agencies of the Orange County Fire Authority pay in one of two ways, as part of the Structural Fire Fund (SFF) or as a cash contract city.

The Structural Fire Fund is an allocation of property taxes levied for the specific purpose of funding county fire protection services. It is based on Government Code Section 25643, which states:

*"The board of supervisors of a county shall determine each year such sum of money as the board of supervisors deems necessary for fire protection services within the county, excluding therefrom any city or district which is at such time providing fire protection services within such city or district....the taxes for the costs of county fire protection services shall be levied only upon property within the county served by and benefiting from county fire protection services..."*

This section of the Government Code was adopted prior to passage of Proposition 13. Since the passage of Proposition 13 in 1978, the SFF rate that was in effect in 1978 remains at the same ratio to non-structural fire fund tax revenues collected from the different tax rate areas. In Proposition 13's enabling legislation, the legislature provided



that the SFF be treated like a “special district” and be entitled to receive a pro rata share of the property tax allocation. The boundaries of the SFF encompass the County unincorporated area and 15 member cities of the OCFA. There are two member cities within the MSR study area, Cypress and La Palma.

Cash contract cities are not within the structural fire fund boundaries. Cash contract cities are not required to commit a specific portion of property tax revenues to fire protection. Rather cash contract cities are responsible for providing their own fire protection services and pay an annual charge to OCFA for these services. Buena Park and Placentia are cash contract cities.

OCFA charges for plan review and inspections, including development, fire sprinklers and alarms, and architectural structure. It also charges fees for hazardous materials based on the number of chemicals and quantity located on site. In 2002, OCFA’s Board of Directors adopted a resolution to adjust fees on July 1 of each year to recover the cost of providing the service. It increased fees 6.61% in July 2004.

The Orange County Health Care Agency has authority over the ambulance service rates charged by OCFA. The County Board of Supervisors, which approves the rates, has directed the Health Care Agency to review rates annually and adjust the maximum Advanced Life Support (ALS) paramedic assessment and transport fee by the same percentage change as the maximum Basic Life Support (BLS) emergency ground ambulance rate for the same period, but not to exceed actual costs for providing ALS services. Per the ambulance ordinance, the BLS ground emergency ambulance rates are established based on the median fees for San Bernardino County, Los Angeles County, and the City of San Diego in effect on January 1 of each year. The current BLS base rate is \$601.50.<sup>10</sup> The ALS base rate is \$920.25 per ambulance transport, of which \$318.75 pays for paramedic services, where applicable.

The City of La Habra contracts with Los Angeles County Fire and the City of Fullerton provides its own fire services. It is still early in La Habra’s contract with County Fire to determine the real savings for the city through this service change. It was noted prior to the change on July 1, 2005 that costs would be higher initially due to deferred capital needs and service level improvements. In addition to costs, evaluation of the benefits will need to factor in response times, level of service, and the capital value of the new fire station the City will own.

<sup>10</sup> Does not include mileage (\$13.75 per mile), oxygen (\$68.25 when administered), stand-by charges (\$33.50 per fifteen minutes) and expendable medical supplies (\$26.75 maximum per response)



## Water Service

Water utility rates typically include a meter charge (readiness to serve) and a commodity or usage charge. These rates are shown in the tables below:

**Figure 6.1**  
**Typical Monthly Residential Water Charge**  
 (3/4" meter + 20 ccf)

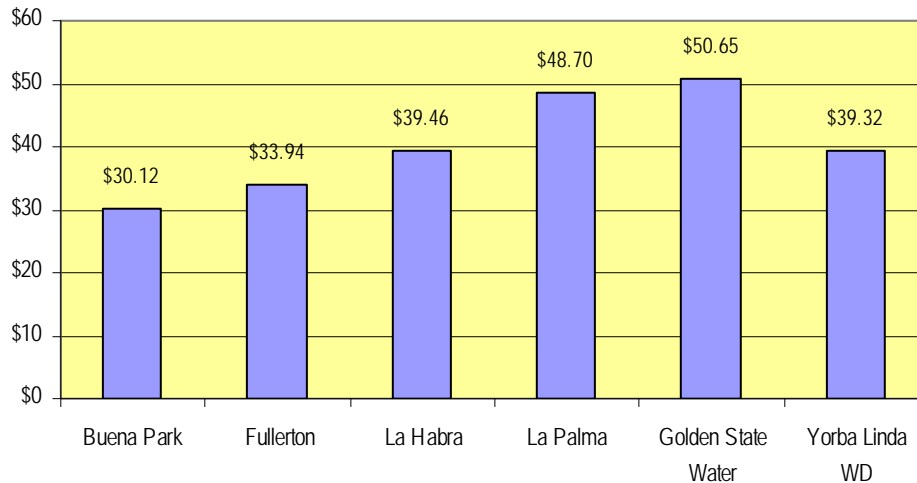


Table 6.1 Commodity Rates and Fixed Charges		
Agency	Commodity Rate	Fixed Charges (Residential)
<b>Cities</b>		
City of Buena Park	\$1.54/1000 gallons	\$15.46 bimonthly, 3/4" meter
City of Fullerton	\$1.794/1000 gallons up to 7,500; tiered rates for higher consumption	\$10.24 bimonthly, 3/4" meter
City of La Habra	\$1.59/100 ccf up to 170 ccf; tiered rates for higher consumption	\$7.66 monthly 3/4" meter
City of La Palma	\$2.04/100 ccf over 500 ccf (bi-monthly use)	\$13.00 monthly, includes 250 ccf usage



<b>Table 6.1 Commodity Rates and Fixed Charges</b>		
Agency	Commodity Rate	Fixed Charges (Residential)
Golden State Water – Cypress, La Palma, Placentia	\$1.76/100 ccf <sup>11</sup>	\$14.75 monthly ¾" meter + 1.4% surcharge for PUC Reimb. Fee
Yorba Linda Water District – Placentia	\$1.57/100 ccf	\$7.92 monthly ¾" meter

*Sources: MWDOC Water Rate Study 2005; Golden State Water Co. Rate Schedules*

Conservation pricing or a tiered rate structure is considered a Best Management Practice by the California Urban Water Conservation Council.

The City of Buena Park and the Yorba Linda Water District may want to explore the potential benefit of a tiered rate structure to encourage conservation and water use efficiency. Additionally, the California Public Utilities Commission (CPUC) has adopted new policies which enable investor-owned utilities to adopt tiered rate structures; it is anticipated that the Golden State Water Company will be making rate structure changes when future rate cases go before the CPUC for approval.

## Wastewater Service

Each city is a member of the Orange County Sanitation District (OCSD). Residents pay a flat, annual fee, which is depicted below as a monthly charge. All member cities of the OCSD are assessed the same rate, and the fee pays for wastewater treatment only. Each City also charges a sewer maintenance fee, typically billed by the water service provider to ensure an accurate consumption billing. Current monthly sewer rates are as follows:

<b>Table 6.2 Monthly Sewer Utility Charge</b>		
Agency	Commodity Rate	Fixed Charges (Residential)
<b>Cities</b>		
City of Buena Park	XXXX	\$13.81 (OCSD)
City of Cypress	\$0.14 per 100 ccf.	\$13.81 (OCSD)
City of Fullerton	XXXX	\$13.81 (OCSD)
City of La Habra	10.008% of water user's bill	\$13.81 (OCSD)

<sup>11</sup> Golden State Water Company, Schedule No. R3-1, effective 1/1/2007



City of La Palma	\$0.32/100 ccf	\$13.81 (OCSD)
City of Placentia Sewer	\$0.35/100 ccf	\$13.81 (OCSD)
Yorba Linda Water District Sewer	\$3.50/month	

## Parks and Recreation

Each of the agencies providing parks and recreation services charges user fees for programs and facilities. Fees are structured to cover the agency's cost of the program or facility use.

## Summary

The cities have adopted rate structures which cover the cost of service. The following related rate restructuring issues for the Northwest Orange County MSR area were noted:

### Water Service

The City of Buena Park and the Yorba Linda Water District may want to explore the potential benefit of a tiered rate structure to encourage conservation and water use efficiency.

In light of the new policies adopted by the CPUC which enable investor-owned utilities to adopt tiered rate structures, the Golden State Water Company will be making rate structure changes when future rate cases go before the CPUC for approval. This may also encourage more efficiency in water usage.

## B. Cost Avoidance, Shared Facilities and Management Efficiencies

The agencies leverage resources and share facilities in a number of ways, including mutual aid and joint powers agreements as well as shared system capacity. The agencies also capitalize on management efficiencies to improve operations and reduce the cost of service. Master plans and other long range plans are a means of controlling costs, ensuring regulatory compliance and improving management efficiency. *Table 6.3* summarizes the status of the agencies' planning documents.



**Table 6.3  
 Agency Planning Documents**

Agency	Master Plan	Type of Master Plan	2005 Urban Water Management Plan	Sewer System Mgmt. Plan	Capital Improvement Program
<b>Cities</b>					
City of Buena Park					Yes
City of Cypress	Yes	Sewer	NA		Yes
City of Fullerton			Yes		Yes
City of La Habra					Yes
City of La Palma	Yes	Sewer			Yes
City of Placentia	Yes	Sewer	NA		Yes

NA - not applicable

## Police Service

Each city maintains its own police department. Orange County Sheriff Department and California Highway Patrol provide police protection services and traffic enforcement for the unincorporated Orange County areas. The MSR cities and County of Orange may benefit from exploring the potential of contractual arrangements for provision of police services to these areas by adjacent city police departments.

## Fire & Emergency Services

Four of the cities in the study area - Buena Park, Cypress, La Palma and Placentia - contract with the Orange County Fire Authority. La Habra contracts with the LA County Fire Department. By contracting, cities do not have to manage and maintain fire services. The City of Fullerton maintains its own Fire Department.

Ambulance service is contracted with each city or through the Fire Authority. In OCFA, ambulance service is contracted through a competitive bid process, with some cities retaining the authority to select their own provider, while others delegate the selection to the OCFA Board of Directors. The County of Orange has delegated ambulance-contracting authority to the OCFA. Service areas generally follow city boundaries, with efficiencies reached when an ambulance service provider serves several adjacent cities at the same time, as in the case of CARE, which serves Buena Park, Fullerton and La Palma.



## Water Service

The cities providing water service share water resources and wholesale delivery systems, including pipeline and treatment capacity. The groundwater producers actively participate in OCWD's groundwater management programs, including purchasing excess imported water at groundwater rates to preserve local groundwater resources.

## Wastewater Service

Each city's sanitary sewer system is tributary to the OCSD system, which enables each of them to control the costs associated with wastewater collection, treatment, beneficial reuse, and disposal through shared system capacity. OCSD operates two treatment plants to handle the wastewater from the MSR study area as well as other areas served by the District.

## Parks & Recreation

Some parks and recreation facilities in the Northwest County area serve a regional need and are frequently used by residents from adjacent cities or communities. The facilities are managed by the parks departments of the various cities in the area.

## Animal Control Services

Most cities contract with Orange County Animal Care Services for their animal control and sheltering services. La Habra and Buena Park have a contractual agreement to have La Habra Police provide animal control enforcement services. These two cities also use the Orange County Animal Care Services for sheltering purposes.

## Summary

The MSR agencies share facilities and resources as appropriate to provide efficient, cost-effective services. The following alternatives regarding cost and facility sharing opportunities were identified:

1. Police Services

The MSR cities, County of Orange, and California Highway Patrol may benefit from exploring the potential of contractual arrangements for provision of police services to the unincorporated areas by adjacent or combined city police departments. Exploring alternatives may result in more efficient and cost-effective delivery of police services.



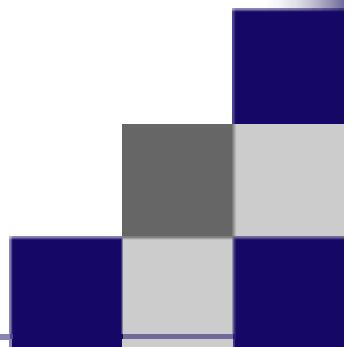
## 2. Regional Parks

There are two regional parks (Craig Regional Park and Ralph B. Clark) located in the Northwest Orange County region. There may be an opportunity to explore the maintenance of the regional parks by adjacent cities rather than the County. Cost and service benefits would need to be explored in depth to realize any benefits to affected agencies and County residents.



# Section 7:

## GOVERNMENT STRUCTURE OPTIONS





# GOVERNMENT STRUCTURE OPTIONS

## A. Introduction

The nine MSR determinations include an examination of government structure options. Due to the broad scope of MSRs, none of the government structure options are addressed in depth. Any option identified would require more in-depth analysis to determine if the change would result in real benefits. Finally, LAFCO is not required to implement any of the governmental structure options noted in this report. The MSR is a “receive and file” report.

General advantages that might result from the reorganization of agencies include the simplification of boundaries, improved service delivery, and reduction in costs or fees due to economies of scale. Disadvantages from a change in governmental boundaries can include no actual or limited costs savings (or actual loss in revenue), little improvement in service efficiency, loss of local autonomy, and political opposition. Pursuing reorganization without the support of residents or the governing board typically increases the time and effort involved.

LAFCO must update the cities’ spheres of influence, an action that will be taken concurrently by the Commission with the MSR report. No changes are recommended in city spheres at this time. LAFCO is preparing a separate study that evaluates sphere and boundary issues along the border of Orange County and Los Angeles County.



## B. Orange/Los Angeles County Boundary

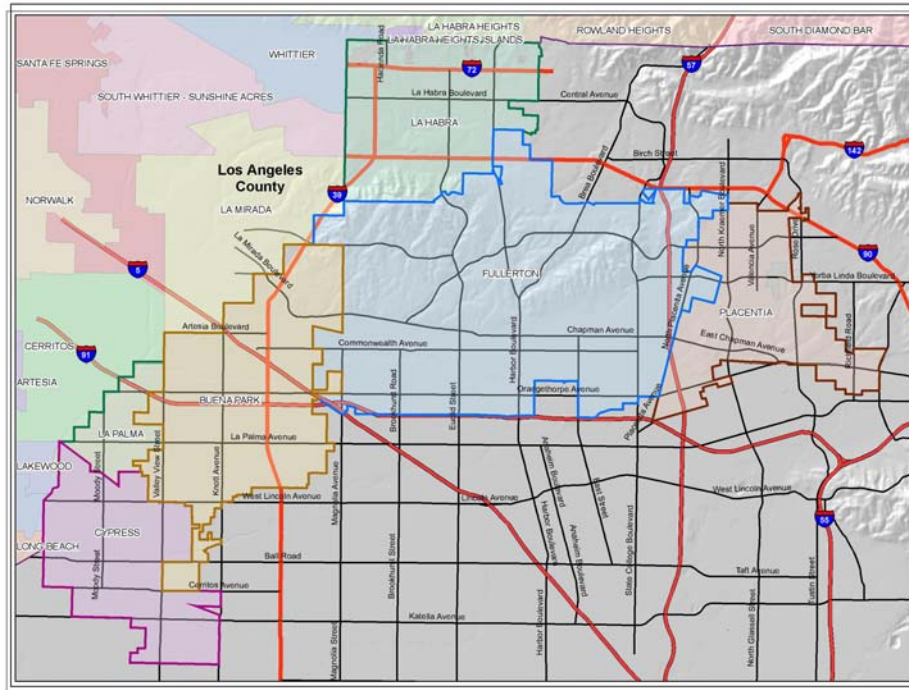
The Orange/Los Angeles County shared boundary for the Northwest Orange County MSR focus area includes 11 cities located in the respective counties. The boundary is no stranger to many discussions of how it could be realigned to result in more efficient delivery of services to residents.

As early as the 1970s, when spheres of influence were first established for cities, LAFCO staff raised the potential for county boundary realignments throughout the Northwest Orange County area. Even then, it was discovered that alignment of the Los Coyotes Flood Control Channel has resulted in inefficient boundaries between the two counties. Although each county over the many years has settled into its respective boundary, the irregular boundary for this area has not gone away.

The cities located within the Northwest Orange County MSR area and located along the common boundary of Orange and Los Angeles Counties include Buena Park, Cypress, Fullerton, La Habra, La Palma, and Placentia, and Los Alamitos (not included in the MSR area) of Orange County (See Figure 7.1). The County of Los Angeles cities include La Mirada, Cerritos, Hawaiian Gardens, Lakewood, and Long Beach. These cities are separated by the Los Coyotes Flood Control Channel, and state and local right-of-ways. For some of these cities, this dividing boundary is often crossed to provide services, artificially removing a jurisdictional line.



Figure 7.1 Northwest Orange County MSR Focus Area Map



During the MSR stakeholder interviews, some agencies raised issues related to the county boundary. Although discussions were premature, they raised the question of if it is time again to discuss potential county boundary changes.

Whether this discussion goes beyond its first step, it is important, however, to point out that LAFCO does not have the authority to change county boundaries. This authority rests with the Board of Supervisors from each jurisdiction. However, LAFCO is responsible, through conducting of MSRs to raise any issues related to irregular boundaries or highlighting alternatives to providing services within an area. Additionally, LAFCO is responsible for processing changes of organization of reorganization that may occur as a result of the county boundary adjustment.

## C. Current Boundaries & Sphere Options

LAFCO is responsible for updating the Sphere of Influence (SOI) for each city and special district no less than once every five years. A sphere boundary for each city located within the Northwest Orange County MSR focus area was originally adopted in the early 1970s and reaffirmed in the late 1980s and early 1990s. Since then some of the



agencies have experienced only minor adjustments to their SOI. Additionally, during some of the reviews, proposed annexations, potential reorganizations, and boundary issues regarding the Orange/Los Angeles shared boundary have been discussed.

More recently, the following sphere and county boundaries issues were raised during the MSR process.

## City of Buena Park

The City of Buena Park was incorporated on January 27, 1953 and current population is approximately 81,000. The City's SOI was originally adopted by the Commission in 1973 and was last comprehensively reviewed in 1980. The city is bounded by Fullerton, Anaheim, Cypress, La Palma, and the cities of Cerritos and La Mirada (Los Angeles County).

Buena Park's current incorporated and SOI boundaries are adjacent to the City of La Mirada and Cerritos. The City's SOI includes an unincorporated island located in the northern portion of the city. While this area is within Orange County jurisdiction, historically, residents more closely associate with the City of La Mirada rather than Buena Park. Although the area is within unincorporated Orange County, the area may only be accessed through La Mirada due to the adjacent Los Coyotes Flood Control Channel.

Back in 1973 when the City's SOI was first established, staff to the Commission recognized the existing inefficient boundaries between Buena Park and Los Angeles County and suggested that a county realignment be explored. The unincorporated area remains under County jurisdiction and can only be accessed through La Mirada. This area was one of the highlights of the realignment discussions and, in 1980, the issue resurfaced through a subsequent review of the City's SOI. In the past, the board members of Orange and Los Angeles Counties have discussed this issue, but a proposal has never materialized.

More recently, LAFCO staff spoke with Buena Park representatives and while the City did not object to reviving a discussion of this issue, the City did reiterate a position that they it has taken for many years. That is - should the area remain within Buena Park's SOI, the city will not annex this area unless residents are willing to be annexed.

While this area will be included in the separate boundary report exploring a county boundary realignment, staff is recommending that the current sphere of influence for



the City of Buena Park be reaffirmed at this time. However, future county and sphere adjustments may be explored in the future.

## City of Cypress

The City of Cypress was incorporated on July 24, 1956 and is home to approximately 48,000 residents. The City's SOI is coterminous with its boundaries and was originally adopted by the Commission in 1973. Cypress is bounded by La Palma, Buena Park, Anaheim, Stanton, Garden Grove, Los Alamitos, and the Los Angeles County cities of Long Beach, Hawaiian Gardens, Lakewood and Cerritos.

When the SOI was first established for Cypress, it was stated that alignment of the Los Coyotes Flood Control Channel created inefficient boundaries in the area. In Cypress today, the irregular boundary remains. Currently, Cypress provides street sweeping service through a contractual arrangement to a property located in the City of Hawaiian Gardens (Los Angeles County). Recognizing that this may not be the most efficient method for delivering service to this area, potential benefits to annexing this area to the City of Cypress were discussed during the MSR process. However, after further consideration, the City expressed that it is not interested in annexing this territory at this time.

The other boundary issue raised by city representatives included the Cypress business park and its current zip code. Currently the park has a Los Alamitos zip code that creates some confusion regarding service delivery. The City believes zip codes should be tied to city boundaries. As LAFCO does not have authority over how zip codes are established, staff recommends that the City explore a zip code change for the business park with the United States Postmaster General

While this area will be included in the separate boundary report exploring a county boundary realignment, staff is recommending that the current sphere of influence for the City of Cypress be reaffirmed at this time. However, future county and sphere adjustments may be explored in the future.

## City of Fullerton

The City of Fullerton was incorporated on February 15, 1904 and has a population of approximately 136,000 residents. The Commission first adopted an SOI for the City in 1975 and city's SOI was last comprehensively reviewed in 1991. The city is bounded by La Habra, Brea, Placentia, Anaheim, Buena Park and a small portion of the Los Angeles



County City of La Mirada. The city's sphere of influence is coterminous with city boundaries.

There are no sphere or county boundary issues for Fullerton identified at this time. Staff recommends reaffirming the current sphere of influence for the City of Fullerton.

## City of La Habra

The City of La Habra incorporated on January 20, 1925 and its original SOI was established in 1974. The city has grown to slightly less than 62,000 residents and the SOI was reaffirmed by the Commission in 1989. La Habra is bounded by Fullerton, Brea and the Los Angeles County cities of Whittier, La Habra Heights, La Mirada and a portion of unincorporated Los Angeles County. La Habra's sphere of influence includes the incorporated boundary and approximately 140 acres of unincorporated Orange County.

There are no sphere or county boundary issues for La Habra identified at this time. Staff recommends reaffirming the current sphere of influence for the City of La Habra.

## City of La Palma

The City of La Palma was incorporated October 19, 1955 and its original SOI was adopted by the Commission in 1973. Current population is approximately 16,000. The city is bounded by Buena Park, Cypress, and the Los Angeles County City of Cerritos. The city's sphere of influence is coterminous with city boundaries, and there are no unincorporated islands.

During the MSR, county boundary issues were noted. There are two areas presently located in the City of Cerritos (Los Angeles County), east of the Los Coyotes Flood Control Channel and adjacent to the City of La Palma. One area includes Rainbow Park, currently located in La Palma, but maintained by Cerritos through a contractual arrangement. In these discussions, the channel was referenced as potentially the logical dividing boundary for Orange and Los Angeles Counties, (ideally, with territory east of the creek being La Palma and west of the creek, Cerritos). With that, both cities may want to explore potential benefits to a county/city boundary adjustment for these areas followed by subsequent annexation. The potential change would place Rainbow Park within the jurisdiction of its current service provider.

While this area will be included in the separate boundary report exploring a county boundary realignment, staff is recommending that the current sphere of influence for



the City of La Palma be reaffirmed at this time. However, future county and sphere adjustments may be explored in the future.

## City of Placentia

The City of Placentia incorporated on December 2, 1926 with a current population of approximately 61,000. The city is bounded by Brea, Fullerton, Yorba Linda, and Anaheim. The city's sphere of influence, last reviewed in 1989, includes the incorporated boundaries and a 76-acre small unincorporated island located in the eastern portion of Placentia.

There are no sphere or county boundary issues for Placentia identified at this time. Staff recommends reaffirming the current sphere of influence for the City of La Placentia.

## Summary

Potential boundary adjustments along the Orange / Los Angeles County boundary has been the subject of discussion in previous dialogue between Orange and Los Angeles County Board of Supervisors. For the Northwest Orange County MSR focus area, within the Cities of Buena Park, Cypress, and La Palma, there is potential for county boundary adjustments along this shared border. The subjects of the potential adjustments involve unincorporated territory, more efficient delivery of services, and clarity of service provision within these areas. Although this issue relative to this area has not been more recently discussed, the MSR raises the option of exploring county boundary adjustments for the area in the near future.

At this time, staff recommends affirming the existing spheres of influence for the Cities of Buena Park, Cypress, Fullerton, La Habra, La Palma, and Placentia.

## D. County Unincorporated Islands

Orange County LAFCO (OCLAFCO) continues to be proactive in annexing areas through the Unincorporated Small Islands Program, a collaborative effort between LAFCO, the County and the League of Cities to assist in the transition of unincorporated islands from County to city jurisdiction. With a goal to convey 50 islands into city jurisdiction, OCLAFCO has been relatively successful with the



annexation of over 25 islands and continues to be one of the flagship LAFCOs in annexing small islands.

The Northwest Orange County MSR area includes several small unincorporated islands adjacent to the cities of Buena Park, La Habra and Placentia. The Commission and staff have been proactive in working with these cities regarding annexation of these areas. However, many of them have various issues ranging from county boundaries, maintenance and condition of infrastructure, and opposition of residents to annexation.

OCLAFCO continues to dedicate resources to assist in facilitating annexation of these areas. The Commission encourages cities to keep the door open to consideration of future annexation of these areas.

## Buena Park

Buena Park's current incorporated and SOI boundaries are adjacent to the City of La Mirada and Cerritos. The City's SOI includes an unincorporated island located in the northern portion of the city. While this area is within Orange County jurisdiction, historically, residents more closely associate with the City of La Mirada rather than Buena Park. Although the area is within unincorporated Orange County, the area may only be accessed through La Mirada due to the adjacent Los Coyote channel. Any County boundary adjustment would need to be considered by the respective County Board of Supervisors. Following annexation would need to go through the LAFCO process.

The City has expressed to LAFCO that it supports the area being incorporated into Buena Park or annexed to La Mirada. However, the city was clear that it would only annex this area if the residents support being annexed to Buena Park.

Any future discussions regarding annexation of the area should include the City, Orange and Los Angeles County Board of Supervisors, Orange and Los Angeles LAFCOs, and residents.

## La Habra

There are currently seven small unincorporated county islands, each less than 75 acres, located in the central and northern portion of the city boundaries. Initially, the city expressed interest in annexing all of the unincorporated areas within its sphere of influence, which at one point included 13 islands; however, because of the strong opposition of many residents within these areas, the La Habra city council elected to



initiate annexation of only 6 of the 13 islands. These areas formally became a part of the city in 2006. The remaining 7 islands collectively are approximately 140 acres.

The County as part of the annexation negotiations offered the city up to \$495,000 in County Jobs Housing Balance Grant funds for the construction of a public sewer system in the affected unincorporated areas (this includes those islands not yet annexed). If infrastructure is not constructed in those areas per the terms of the existing pre-annexation agreement, the city is required to repay the County for unused funds at the end of the agreed-upon 24-month timeframe.

## Placentia

There is a 76-acre unincorporated island in the eastern portion of Placentia. Because the area is less than 150 acres, it may be processed under the streamlined provisions of the small islands legislation (AB 1555). Under AB 1555, if the city initiated annexation of the area, residents would not be given the opportunity to protest. However, residents have expressed strong opposition to annexation and, as result, the Placentia City Council has elected not to initiate annexation of the area at this time. The city has, however, as an intermediate alternative to annexation, participated in discussions with the County of Orange regarding providing municipal services to the area through contractual arrangement. Additionally, the city has expressed to LAFCO its willingness to work with LAFCO to annex islands if residents support annexation.

## Summary

Annexation of unincorporated areas continues to be a priority for Orange County LAFCO. As the County continues to express its desire to divest itself from providing municipal services to these areas, LAFCO staff will continue dialogue with adjacent cities on issues that need to be addressed to move annexation of these areas forward. Additionally LAFCO is committed to working with cities regarding outreach to communities that have been historically opposed to annexation.

Small unincorporated islands (less than 150 acres) are located in the spheres of influence for the cities of Buena Park, La Habra and Placentia. The respective cities have been identified as the most logical service providers to these areas. With the exception of the island adjacent to the City of Buena Park, there are no alternative service providers. For the area adjacent to Buena Park, the alternative would be the City of La Mirada located in Los Angeles County.



## E. Service Options

Municipal services to the northwest region are provided by multiple agencies that include cities, special districts, the County, and a private company. The County of Orange provides these services to the unincorporated areas and there is often overlap with adjacent agencies to provide those services. Although presently there are relatively few existing agreements for shared service provision among the Northwest MSR agencies, the agencies may benefit from exploring opportunities that may improve the delivery of services within the area, in particular to the unincorporated areas.

### Law Enforcement

As described earlier in the report, each city in the MSR area provides its own law enforcement. The Orange County Sheriff Department and the California Highway Control currently provide police protection and traffic enforcement services to the unincorporated areas located within the MSR study area. Because these areas are relatively small in geographical size (less than 150 acres), the County of Orange may want to explore potential alternatives to serving these areas with adjacent cities. Any alternative would need to be studied in depth to realize if there would be any benefits to residents and/or affected agencies.

### Water Service

Retail water service in the Cities of Cypress and portions of La Palma and Placentia, is provided by the Golden State Water Company, a private water utility. The remainder of Placentia is served by the Yorba Linda Water District. The average monthly charge for the each agency varies - Yorba Linda Water District (\$39.32), La Palma (\$48.70), and Golden State Water Co. (\$50.65). Affected agencies may want to explore alternatives to water service area for those areas that are split between more than one provider. Any alternatives would need to be studied in depth to establish if there will be any benefits, such as service efficiency or costs-savings, to residents and/or affected agencies.

### Regional Parks

There are two regional parks (Craig Regional Park and Ralph B. Clark) located within the MSR study area. More recently, the District Two Office of the County Board of Supervisors began exploring the opportunity for adjacent cities to maintain County regional parks as opposed to the County. This represents a new effort and the district office continues to provide regular updates on this issue and whether this alternative

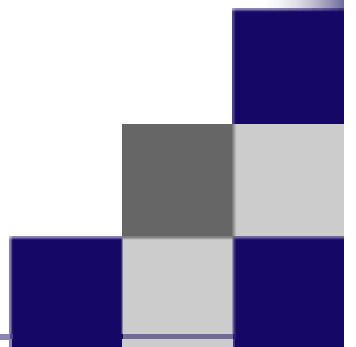


would yield any service efficiency or cost-savings to public and affected agencies. However, this issue was not identified by MSR agencies or explored in this report.



# Section 8:

## LOCAL ACCOUNTABILITY & GOVERNANCE





# LOCAL ACCOUNTABILITY & GOVERNANCE

The local accountability and governance of the cities is meeting the required standards for public agencies, with appropriate elections and public notice of council meetings and actions.

<b>City</b>	<b># of Council Members</b>	<b>Council Meetings</b>	<b>Website</b>
<b>Buena Park</b>	5	2 <sup>nd</sup> and 4 <sup>th</sup> Tuesdays at 5 p.m.	<a href="http://www.buenapark.com/">http://www.buenapark.com/</a>
<b>Cypress</b>	5	2 <sup>nd</sup> and 4 <sup>th</sup> Monday 7 pm	<a href="http://www.ci.cypress.ca.us">www.ci.cypress.ca.us</a>
<b>Fullerton</b>	5	1 <sup>st</sup> and 3 <sup>rd</sup> Tuesday of each month at 4 pm and 7:30 pm	<a href="http://www.ci.fullerton.ca.us/">http://www.ci.fullerton.ca.us/</a>
<b>La Habra</b>	5	1 <sup>st</sup> and 3 <sup>rd</sup> Mondays at 6:30 pm	<a href="http://www.ci.la-habra.ca.us/">http://www.ci.la-habra.ca.us/</a>
<b>La Palma</b>	5	1 <sup>st</sup> and 3 <sup>rd</sup> Tuesdays at 7 p.m.	<a href="http://www.cityoflapalma.org/">http://www.cityoflapalma.org/</a>
<b>Placentia</b>	5	1 <sup>st</sup> and 3 <sup>rd</sup> Tuesdays at 7 p.m.	<a href="http://placentia.org/">http://placentia.org/</a>

Each city is a general law city operating under a council-manager form of government. Members of the city councils are elected at large by registered voters of the city to staggered four-year terms of office. In a council-manager form of government, the city manager makes policy recommendations to the council and in-turn implements policies adopted by the council.

The following tables detail the current city council members by city, their terms of office, and compensation level.



## Buena Park

<b>Table 8.2 City of Buena Park</b>		
<b>Council Members</b>	<b>Term Expirations</b>	<b>Compensation</b>
Patsy Marshall	November, 2010	\$1,035/month
Steve Berry	November, 2008	
Art Brown	November, 2010	
Jim Dow	November, 2008	
Don McCay	November, 2010	

Buena Park City Council members also receive a \$300 per month car allowance, \$30 per month for the Redevelopment Agency Board, medical and life insurance, and the employer and employee contribution to PERS. The Mayor receives a city-issued cell phone.

## Cypress

<b>Table 8.3 City of Cypress</b>		
<b>Council Members</b>	<b>Term Expirations</b>	<b>Compensation</b>
Phil Luebben	November, 2008	\$832/month
Todd W. Seymore	November, 2008	
Doug Bailey	November, 2010	
Leroy Mills	November, 2010	
Prakash Narain, M.D.	November, 2010	

The Cypress City Council members also receive a \$125 per month cash allowance, \$30 per meeting for the Redevelopment Agency Board (max 2 meetings per month), \$40 per month for Redevelopment Agency Board cash allowance. Also, City Council may choose to participate in medical insurances and life insurances at the same level as employees, and participate in PERS retirement with City paid employer and employee contributions.



## Fullerton

<b>Table 8.4 City of Fullerton</b>		
<b>Council Members</b>	<b>Term Expirations</b>	<b>Compensation</b>
Shawn Nelson	November, 2008	\$750/month
Sharon Quirk	November, 2008	
Don Bankhead	November, 2010	
F. Richard Jones	November, 2008	
Pam Keller	November, 2010	

Fullerton City Council members also receive \$30 per meeting as members of the Redevelopment Agency with a cap of 4 meetings per month, employer contribution to PERS, medical and dental insurance equal to management-level employee benefits, and city-paid life insurance. The Mayor is eligible for \$100 per month for extraordinary expenses.

## La Habra

<b>Table 8.4 City of La Habra</b>		
<b>Council Members</b>	<b>Term Expirations</b>	<b>Compensation</b>
James Gomez	November, 2010	\$500/month
Rose Espinoza	November, 2008	
Steve Anderson	November, 2008	
G. Steve Simonian	November, 2010	
Tom Beamish	November, 2008	

La Habra City Council members also sit as members of the Redevelopment Agency (up to \$30/month), Low & Moderate Housing Agency (up to \$30/month), and Housing Authority (up to \$50/month). Council members are eligible to pay into the City's retirement plan (up to 7 1/2% of their salary), but participation is voluntary and is not subsidized by the City.



## La Palma

<b>Council Members</b>	<b>Term Expirations</b>	<b>Compensation</b>
Mark Waldman	November, 2008	\$300/month
G. Henry Charoen	November, 2010	
Christine Barnes	November, 2008	
Larry Herman	November, 2010	
Ralph Rodriguez	November, 2008	

La Palma City Council members also receive \$30 per meeting, as members of the City's redevelopment agency (La Palma Community Development Commission). The City also pays for a \$10,000 life insurance policy and makes a 3.5% contribution to PARS for each Council member.

## Placentia

<b>Council Members</b>	<b>Term Expirations</b>	<b>Compensation</b>
Constance Underhill	November, 2008	\$150/month
Russell J. Rice	November, 2008	
Joseph V. Aguirre	November, 2010	
Scott P. Brady	November, 2008	
Greg Sowards	November, 2010	

Placentia City Council members also receive \$60 per meeting for various city-related meetings, with no maximum per month. Members are eligible for medical insurance on par with employee benefits. The City pays for a \$5,000 life insurance policy, and makes a 7% contribution to PERS for each council member.