

LOCAL AGENCY FORMATION COMMISSION OF ORANGE COUNTY

REGULAR MEETING AGENDA

**Wednesday, May 11, 2022
8:15 a.m.**

**Planning Commission Hearing Room
Hall of Administration
333 W. Santa Ana Blvd.
10 Civic Center Plaza, Santa Ana, CA 92701**

Any member of the public may request to speak on any agenda item at the time the Commission is considering the item.

- 1. CALL THE MEETING TO ORDER**
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATION
(Communication received after agenda distribution for agendized items.)**
- 5. PUBLIC COMMENT**

This is an opportunity for members of the public to address the Commission on items not on the agenda, provided that the subject matter is within the jurisdiction of the Commission and that no action may be taken by the Commission on off-agenda items unless authorized by law.

6. CONSENT CALENDAR

a.) April 13, 2022 – Regular Commission Meeting Minutes

The Commission will consider approval of the April 13, 2022 meeting minutes.

b.) Amendments to the Local Guidelines for Implementing the California Environmental Quality Act (CEQA)

The Commission will consider amendments to the local guidelines for implementing CEQA.

c.) Local Agency Investment Fund (LAIF) Account Update

The Commission will consider adopting the revised resolution authorizing designated staff to invest agency funds in the LAIF.

7. PUBLIC HEARING

a.) Final OC LAFCO Fiscal Year 2022-23 Budget

The Commission will consider adoption of the final budget for Fiscal Year 2022-23.

8. COMMISSION DISCUSSION AND ACTION

a.) Professional Consultant Services Agreement with Rosenow Specavek Group

The Commission will consider approval of a professional services agreement with Rosenow Specavek Group to conduct and prepare municipal service reviews for the Southwest and West MSR regions.

b.) Selection Process and Appointment of OC LAFCO Regular Public Member

The Commission will consider appointment of the Regular Public Member for the term expiring June 30, 2022.

9. COMMISSIONER COMMENTS

This is an opportunity for Commissioners to comment on issues not listed on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No discussion or action may occur or be taken except to place the item on a future agenda if approved by the Commission majority.

10. EXECUTIVE OFFICER'S REPORT

Executive Officer's announcement of upcoming events and brief report on activities of the Executive Officer since the last meeting.

11. INFORMATIONAL ITEMS & ANNOUNCEMENTS

a.) 2022 LAFCO Strategic Planning Workshop

Due to unforeseen circumstances, the 2022 Strategic Planning Workshop has been rescheduled to Wednesday, July 13, 2022 from 8:30 a.m. to 12:00 p.m., at the County Administration South (CSA) Multipurpose Room, 601 North Ross Street, Santa Ana, CA 92701.

12. CLOSED SESSION

No closed session items scheduled.

13. ADJOURNMENT OF REGULAR COMMISSION MEETING

PUBLIC PARTICIPATION:

The Local Agency Formation Commission of Orange County welcomes your participation. The public may share general comments or comments on agenda items through the following options:

- 1) **In-person** comments may be provided during the general comment period on off-agenda items and during the hearing of a specific agenda item. In accordance with the OC LAFCO guidelines, each speaker's comments may not exceed three (3) minutes for the respective item. If you have documents for the Commission, please bring 15 copies and submit to the Commission Clerk for distribution.
- 2) **Written** general comments or comments on specific agenda items may be submitted by email to the Commission Clerk at ccarter-benjamin@oclafco.org. Comments received no less than twenty-four (24) hours prior to the regular meeting will be distributed to the Commission and included in the record.

Pursuant to Government Code Section 54957.5, public records that relate to open session agenda items that are distributed to a majority of the Commission less than seventy-two (72) hours prior to the meeting will be made available to the public on the OC LAFCO website at www.oclafco.org.

State law requires that a participant in an OC LAFCO proceeding who has a financial interest in a decision and who has made a campaign contribution of more than \$250 to any commissioner in the past year must disclose the contribution. If you are affected, please notify the Commission's staff before the hearing.

AMERICANS WITH DISABILITIES ACT (ADA)

All regular meeting agendas and associated reports are available at www.oclafco.org. Any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or associated reports upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, to participate in a public meeting. Requests for copies of meeting documents and accommodations shall be made with OC LAFCO staff at (714) 640-5100 at least three business days prior to the respective meeting.

2022 MEETING AND EVENTS CALENDAR

Approved February 9, 2022

2022



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- OC LAFCO Regular Meeting (*begins at 8:15 a.m.*)
Location: Hall of Administration, Planning Commission Hearing Room, 10 Civic Center Plaza, Santa Ana, CA 92701.
- Strategic Planning Workshop (*8:00 a.m. to 2:30 p.m.*)
Location: County Administration South (CSA) Multipurpose Room, 601 North Ross Street, Santa Ana, CA 92701.
- Office closure due to legal holidays and flexible work schedule.
- CALAFCO Annual Conference - October 19 - 21, 2022 at Hyatt Regency Newport Beach John Wayne Airport.

DRAFT MINUTES

OC LAFCO REGULAR MEETING

Wednesday, April 13, 2022
8:15 a.m.

Planning Commission Hearing Room
Hall of Administration
333 W. Santa Ana Blvd.
10 Civic Center Plaza, Santa Ana, CA. 92701

1. CALL TO ORDER

Chair Davert called the meeting of the Local Agency Formation Commission of Orange County (OC LAFCO) to order at 8:18 a.m.

2. PLEDGE OF ALLEGIANCE

Commissioner Posey led the Pledge of Allegiance.

3. ROLL CALL

The following Commissioners were present:

- **Chair Douglass Davert**
- **Vice Chair Donald Wagner**
- **Commissioner Lisa Bartlett**
- **Commissioner Wendy Bucknum**
- **Commissioner James Fisler**
- **Commissioner Derek J. McGregor**
- **Commissioner Mike Posey**
- **Alternate Commissioner Kathryn Freshley**
- **Alternate Commissioner Lou Penrose**

The following Commissioners were absent:

- **Alternate Commissioner Peggy Huang**
- **Alternate Commissioner Andrew Do**

The following OC LAFCO staff members were present:

- Executive Officer Carolyn Emery
- Policy Analyst Luis Tapia
- Policy Analyst Gavin Centeno
- Commission Clerk Cheryl Carter-Benjamin
- General Counsel Scott Smith

4. ANNOUNCEMENT OF SUPPLEMENTAL COMMUNICATION (Received After Agenda Distribution)

Executive Officer Carolyn Emery noted that no supplemental communication was received.

5. PUBLIC COMMENT

Chair Davert requested public comments on any non-agenda items. Commission Clerk Cheryl Carter-Benjamin noted that there were no requests to speak from the public.

Chair Davert closed the hearing of public comments.

6. CONSENT CALENDAR

Chair Davert asked if the Commissioners would like to pull any consent items for discussion and if there were any public comments. There were no requests from Commissioners to pull any of the consent items and the Commission Clerk noted no requests from the public to speak on the item.

Chair Davert called for a motion on the consent calendar. **Commissioner Fisler** motioned for approval of the consent calendar and **Commissioner Wagner** seconded the motion. **Commissioner Posey** noted his abstention in the approval of the March minutes due to his absence at that meeting.

6a. – Approval of Minutes – March 9, 2022, Regular Commission Meeting

6b. – Fiscal Year 2021-22 Quarterly Financial Report (Third Quarter)

MOTION:	Approve the Consent Calendar. (James Fisler)
SECOND:	Donald Wagner
FOR:	James Fisler, Donald Wagner, Lisa Bartlett, Wendy Bucknum, Derek J. McGregor, Mike Posey, Douglass Davert
AGAINST:	None
ABSTAIN:	Mike Posey (for 6a. only)

MOTION PASSED: 7-0.

7. PUBLIC HEARING

No public hearing items scheduled.

8. COMMISSION DISCUSSION AND ACTION

8a. – Professional Consultant Services Agreement with Berkson Associates

Policy Analyst Gavin Centeno gave the staff presentation and noted the actions recommended by staff.

Chair Davert called for Commission discussion and public comments. Commissioners made general comments, and the Commission Clerk noted that there were no requests from the public to speak on the item.

Chair Davert called for a motion on the recommended actions. **Commissioner Wagner** motioned to approve the staff recommended actions and **Commissioner Bucknum** seconded the motion.

MOTION:	Approve the Professional Services Agreement between OC LAFCO and Berkson Associates; Authorize the Executive Officer to execute the agreement. (Donald Wagner)
SECOND:	Wendy Bucknum
FOR:	Donald Wagner, Wendy Bucknum, Lisa Bartlett, James Fisler, Derek J. McGregor, Mike Posey, Douglass Davert
AGAINST:	None
ABSTAIN:	None

MOTION PASSED: 7-0.

8b. – First Amendment to Professional Consultant Services Agreement with Eide Bailly

Executive Officer Carolyn Emery gave the staff presentation and noted the action recommended by staff.

Chair Davert called for Commission discussion and public comments. There were no comments from Commissioners, and the Commission Clerk noted that there were no requests from the public to speak on the item.

Chair Davert called for a motion on the recommended action. **Commissioner Posey** motioned to approve the staff recommended action and **Vice Chair Wagner** seconded the motion.

MOTION: Approve Amendment No. 1 to the professional services agreement with Eide Bailly LLP and authorize the Executive Officer to execute the amendment. (Mike Posey)
SECOND: Donald Wagner
FOR: Mike Posey, Donald Wagner, Lisa Bartlett, Wendy Bucknum, James Fisler, Derek J. McGregor, Douglass Davert
AGAINST: None
ABSTAIN: None

MOTION PASSED: 7-0.

8c. – Legislative Report

Policy Analyst Luis Tapia gave the staff presentation and noted the actions recommended by staff.

Chair Davert called for Commission discussion and public comments. Commissioners made general comments, and the Commission Clerk noted that there were no requests from the public to speak on the item.

Chair Davert called for a motion on the recommended actions. **Commissioner Bucknum** motioned to approve the staff recommended actions and **Commissioner Posey** seconded the motion.

MOTION: Adopt a “*Oppose*” position on AB 2081 and “*Support*” positions on AB 2957 and SB 1490, 1491, 1492; Direct staff to send position letters to the bill authors. (Wendy Bucknum)
SECOND: Mike Posey
FOR: Wendy Bucknum, Mike Posey, Lisa Bartlett, James Fisler, Derek J. McGregor, Donald Wagner, Douglass Davert
AGAINST: None
ABSTAIN: None

MOTION PASSED: 7-0.

9. COMMISSIONER COMMENTS

Commissioners made general comments.

10. EXECUTIVE OFFICER’S REPORT

No items of report by the Executive Officer.

11. INFORMATIONAL ITEMS & ANNOUNCEMENTS

No informational items and announcements.

12. CLOSED SESSION

No closed session items scheduled.

13. ADJOURNMENT OF THE REGULAR COMMISSION MEETING

Chair Davert adjourned the Regular Commission Meeting at 8:51 a.m. to May 11, 2022.

Douglass Davert, Chair
Orange County Local Agency Formation Commission

By: _____
Cheryl Carter-Benjamin
Commission Clerk

May 11, 2022

6b | Consent
Calendar**REGULAR MEMBERS**

CHAIR

Douglass Davert
Special District Member

VICE CHAIR

Donald P. Wagner
County Member

IMMEDIATE PAST CHAIR

Derek J. McGregor
Public Member**Lisa Bartlett**
County Member**Wendy Bucknum**
City Member**James Fisler**
Special District Member**Mike Posey**
City Member**ALTERNATES****Andrew Do**
County Member**Kathryn Freshley**
Special District Member**Peggy Huang**
City Member**Lou Penrose**
Public Member**STAFF****Carolyn Emery**
Executive Officer**Scott Smith**
General Counsel**TO:** Local Agency Formation Commission
of Orange County**FROM:** Executive Officer
Policy Analyst**SUBJECT:** Amendments to the Local Guidelines for Implementing the
California Environment Quality Act (CEQA)**BACKGROUND**

In accordance with Section 21082 of the California Public Resources Code (Environmental Quality), the Commission adopted the *Local Guidelines for Implementing the California Environmental Quality Act* ("Guidelines"). The Guidelines are updated, as needed, annually to reflect changes enacted by the Legislature. For most projects considered by the Commission, OC LAFCO is the responsible agency under CEQA. However, OC LAFCO may also serve as the lead agency for Commission-initiated projects or applications filed by landowners. The complete 2022 local CEQA Guidelines will be available on the OC LAFCO website following adoption by the Commission.

The next section of this report provides a summary of the changes to the Guidelines, effective January 1, 2022.

2022 Local CEQA Guidelines

The memorandum prepared by the Commission's general counsel is attached and provides a detailed summary of the revisions and additions to the current Guidelines. The key revisions for potential OC LAFCO actions are summarized as follows:

- **Posting CEQA Documents and Related Notices on Lead Agency's Website (Sections 1,3,6 & 7):** This revision requires the lead agency to post the Draft Environmental Impact Report (EIR), Final EIR, Negative Declaration, Mitigated Negative Declaration and other related notices prepared for a project on the lead agency's website. For projects in which OC LAFCO is the lead agency, the CEQA determination approved by the Commission and other related notices must be posted on the agency's website.

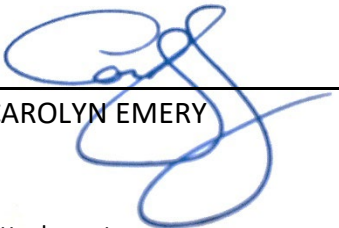
- **Notices of Exemption (Section 3.04):** The revision requires that for projects that are exempt from CEQA, a Notice of Exemption (NOE) must be filed electronically with the County Clerk's Office and the notice must be posted on the agency's website. Additionally, a project applicant, rather than the agency, may electronically file an NOE for a project that is exempt from CEQA with the County Clerk's Office and the NOE must be posted on the agency's website. For projects in which OC LAFCO is the lead agency, the Commission must file the Notice of Exemption electronically with the Orange County Clerk Recorder's Office if the Commission determines a project is exempt from CEQA. The NOE must also be posted on the agency's website.
- **Submission of CEQA Documents and Related Notices to State Clearinghouse (Section 6.11 & 7):** This section directs the lead agency to submit all EIRs and any related CEQA notices to the State Clearinghouse. For projects in which OC LAFCO is the lead agency, the Commission must submit CEQA documents and related notices through the Office of Planning and Research's CEQA submittal portal.
- **Department of Fish and Wildlife Fees:** The Department of Fish and Wildlife has increased its fees for filing environmental documents as of January 1, 2022. The current fees are reflected in the OC LAFCO Fee Schedule adopted by the Commission on March 9, 2022.

RECOMMENDED ACTION

Staff recommends the Commission take the following action:

1. Adopt OC LAFCO Resolution No. CP 22-03 amending the "Local Guidelines for Implementing the California Environmental Quality Act." (**Attachment 2**)

Respectfully submitted,



CAROLYN EMERY

GAVIN CENTENO

Attachments:

1. 2022 Summary of Changes to Local CEQA Guidelines, prepared by Best Best & Krieger
2. OC LAFCO Resolution No. CP 22-03

Memorandum

TO: Orange County Local Agency Formation Commission
FROM: Best Best & Krieger LLP
DATE: April 11, 2022
RE: 2022 Summary of Changes to Local CEQA Guidelines

In 2021, the California Legislature took action to revise the California Environmental Quality Act (“CEQA”). Notably, Assembly Bill (“AB”) 819 amends the Public Resources Code to, among other things: (1) expand the scope of CEQA documents that must be submitted to the Office of Planning and Research’s (“OPR”) State Clearinghouse; (2) require lead agencies to submit such documents to OPR electronically; and (3) require a lead agency to post various environmental documents and notices on its website, if the lead agency has a website. In addition, the Legislature passed multiple bills to exempt certain categories of activity from CEQA.

These revisions to CEQA have been incorporated into the 2022 Local Guidelines for Implementing the California Environmental Quality Act (“Local Guidelines”) for the Orange County Local Agency Formation Commission (“Commission”). This memorandum summarizes the substantive amendments to the Commission’s Local Guidelines. These Local Guidelines and this memorandum are designed to help the Commission assess the environmental implications of a project prior to its approval, as mandated by CEQA. We still recommend, however, that you consult with an attorney when you have specific questions on major, controversial, or unusual projects or activities.

The Local Guidelines, the related CEQA forms, and other important legal alerts may be accessed via the Best Best & Krieger LLP CEQA client portal at <http://clients.bbklaw.net/pfcc/>. For technical support, please contact Tammy Ingram at tammy.ingram@bbklaw.com.

REVISIONS TO LOCAL GUIDELINES

1. SECTIONS 1.08, 1.09, 3.04, 6.04, 6.10, 6.11, 6.20, 7.03, 7.25, & 7.39: POSTING CEQA DOCUMENTS AND RELATED NOTICES ON LEAD AGENCY’S WEBSITE

With AB 819, the California Legislature amended CEQA to require a Lead Agency to post the Draft Environmental Impact Report (“EIR”), Final EIR, Negative Declaration, or Mitigated Negative Declaration (“MND”) prepared for a project on the Lead Agency’s website, if the Lead Agency has a website.

In addition, AB 819 requires a Lead Agency to post various CEQA notices on its website. This requirement extends to any Notice of Exemption, Notice of Intent to Adopt a Negative Declaration or Mitigated Negative Declaration, Notice of Preparation, Notice of Availability, and Notice of Determination. Sections 1.08, 3.04, 6.04, 6.11, 6.20, 7.03, 7.25, and 7.39 of the 2022 Local Guidelines have been revised to reflect these new requirements.

2. SECTIONS 2.04 & 6.16 PROCEDURE TO APPEAL A CEQA DETERMINATION MADE BY A NON-ELECTED DECISIONMAKING BODY

The Commission may charge a non-elected decisionmaking body with the responsibility of making an exemption determination or adopting or certifying environmental documents under CEQA. But, a determination made by a non-elected decisionmaking body must be appealable to the Commission's Board of Commissioners. Sections 2.04 and 6.16 of the Local Guidelines have been revised to elaborate that any CEQA determination made by a non-elected decisionmaking body shall be final unless it is timely appealed to the Board of Commissioners.

3. SECTION 3.04 NOTICES OF EXEMPTION

Section 3.04 has been revised consistent with AB 819 to provide that (1) a Notice of Exemption must now be filed electronically with the County Clerk, if the County Clerk accepts electronic filing of Notices of Exemption; and (2) the Commission must post its Notices of Exemption on its website.

Additionally, Section 3.04 has been revised to update the procedure by which a project applicant, rather than the Commission, may file a Notice of Exemption for a project that the Commission has determined is exempt from CEQA. For a project applicant to file a Notice of Exemption, the project applicant must attach a Certificate of Determination from the Commission to the Notice of Exemption.

4. SECTION 3.23 EXEMPTION RE: CONSERVATION AND RESTORATION OF CALIFORNIA NATIVE FISH AND WILDLIFE

With its adoption of Senate Bill ("SB") 155, the Legislature has created a CEQA exemption for projects that have as their exclusive purpose the recovery of California fish and wildlife (including projects for habitat restoration), if certain conditions are met. Section 3.23 has been added to the Local Guidelines to reflect this new exemption.

5. SECTION 3.24 EXEMPTION RE: LINEAR BROADBAND DEPLOYMENT IN A RIGHT-OF-WAY

The Legislature's enactment of SB 156 has created a CEQA exemption for projects that consist of linear broadband deployment in a right-of-way, if certain conditions are met. To qualify for the exemption, the project must be located in an area identified by the Public Utilities Commission as a component of the statewide open-access middle-mile broadband network; must be constructed along, or within 30-feet of, the right-of-way of any public road or highway; and must be either deployed underground where the surface area is restored to a condition existing before the project or placed aurally along an existing utility pole right-of-way. Additionally, the project is required to include conditions of approval to address potential environmental impacts, including, but not limited to, requiring monitors during construction activities or measures to address impacts to biological or cultural resources. We have added Section 3.24 to the Local Guidelines to reflect this new exemption.

6. SECTION 3.25 EXEMPTION RE: NEEDLE AND SYRINGE EXCHANGE SERVICES

Under existing law, cities and counties meeting certain requirements may apply to the State Department of Public Health for authorization to provide hypodermic needle and syringe exchange services consistent with state standards in any location where the State Department of Public Health determines that the conditions exist for the rapid spread of human immunodeficiency virus (HIV), viral hepatitis, or any other potentially deadly or disabling infections that are spread through the sharing of used hypodermic needles and syringes. In 2021, the Legislature enacted AB 1344 to expressly exempt from CEQA needle and syringe exchange services application submissions, authorizations, and operations. This exemption is reflected in Section 3.25 of the Local Guidelines.

7. SECTION 6.11 SUBMISSION OF NEGATIVE DECLARATIONS AND RELATED NOTICES TO STATE CLEARINGHOUSE

Under AB 819, all Negative Declarations and MNDs must be submitted electronically to the State Clearinghouse via the Office of Planning and Research’s “CEQA Submit” website, even if the Negative Declaration or MND does not require state agency review. When submitting the Negative Declaration or MND to the State Clearinghouse, the Lead Agency must also submit a Notice of Completion via the “CEQA Submit” website.

Section 6.11 of the Local Guidelines has been revised to reflect this change in the law, and it includes instructions on how to submit both documents that require state agency review and documents that do not require state agency review.

8. SECTIONS 7.03, 7.25, 7.26 & 7.39 SUBMISSION OF EIRS AND RELATED NOTICES TO STATE CLEARINGHOUSE

Under AB 819, all EIRs must be submitted electronically to the State Clearinghouse via the Office of Planning and Research’s “CEQA Submit” website, even if the EIR does not require state agency review. In addition, a Lead Agency must submit any Notice of Preparation, Notice of Completion, and Notice of Determination related to the EIR to the Office of Planning and Research via the “CEQA Submit” website. Sections 7.03, 7.25, 7.26, and 7.39 of the Local Guidelines have been revised to reflect these requirements.

9. SECTION 7.05 STREAMLINED CEQA LITIGATION FOR ENVIRONMENTAL LEADERSHIP DEVELOPMENT PROJECTS

In 2021, the Legislature passed the Jobs and Economic Improvement Through Environmental Leadership Act of 2021, which reenacts with certain changes the Jobs and Economic Improvement Through Environmental Leadership Act of 2011, which was repealed by its own terms on January 1, 2021. If the Governor certifies a project as an Environmental Leadership Development Project, any lawsuit challenging the project—including any appeals to the Court of Appeal or the California Supreme Court—must be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the trial court. Section 7.05 of the Local Guidelines, which previously addressed the previous iteration of the law from 2011, has been updated to reflect the 2021 iteration of the law.

10. SECTION 9.01 STREAMLINED MINISTERIAL APPROVAL PROCESS FOR AFFORDABLE HOUSING PROJECTS

The Legislature has provided for a streamlined, ministerial approval process for certain affordable housing projects satisfying various conditions. This process is not new, and it is already included in the Local Guidelines in Section 9.01. In 2021, the Legislature adopted AB 1174 to further clarify the process. Under existing law, a development approved under the streamlined ministerial process can generally be valid indefinitely so long as it meets certain requirements. Among other things, AB 1174 clarifies that to be valid indefinitely, the project must include public investment in housing affordability, beyond tax credits, and have at least 50 percent of units affordable to households making at or below 80 percent of the area median income. Section 9.01 of the Local Guidelines has been revised to reflect AB 1174.

11. SECTION 9.02 MINISTERIAL APPROVAL PROCESS FOR SPECIFIED URBAN LOT SPLITS AND HOUSING DEVELOPMENTS

SB 9 provides for the ministerial approval (i.e., approval not subject to CEQA) of (1) proposed housing developments containing no more than two residential units within a single-family residential zone; and (2) urban lot splits. This is not a blanket exemption from CEQA, as SB 9 sets forth numerous conditions that must be met in order for a proposed project to qualify for ministerial approval. The ministerial approval process established by SB 9 is set forth in Section 9.02 of the Local Guidelines.

12. SECTION 9.03 EXEMPTION RE: APPROVAL OF ORDINANCE TO ZONE ANY PARCEL FOR UP TO 10 UNITS OF RESIDENTIAL DENSITY PER PARCEL

SB 10 provides that a local government may adopt an ordinance to zone a parcel for up to 10 residential units, and that such action (if certain conditions are met) does not qualify as a “project” subject to CEQA. Section 9.03 has been added to the Local Guidelines to reflect SB 10.

Other Changes

Effective January 1, 2022, the Department of Fish and Wildlife has increased its fees. For a Negative Declaration or a Mitigated Negative Declaration, the new filing fee is \$2,548.00. For an EIR, the new filing fee is \$3,539.25. For an environmental document prepared pursuant to a Certified Regulatory Program, the filing fee has been increased to \$1,203.25.

Conclusion

As always, CEQA remains complicated and, at times, challenging to apply. The only constant in this area of law is how quickly the rules change. Should you have questions about any of the provisions discussed above, or about the environmental review of any of the Commission’s projects, please contact a BB&K attorney for assistance.

BEST BEST & KRIEGER LLP

**RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF
ORANGE COUNTY AMENDING AND ADOPTING LOCAL GUIDELINES FOR
IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
(PUB. RESOURCES CODE §§ 21000 ET SEQ.)**

(CP 22-03)

May 11, 2022

On motion of Commissioner _____, duly seconded and carried, the following resolution was adopted.

WHEREAS, the California Legislature has amended the California Environmental Quality Act (“CEQA”) (Pub. Resources Code §§ 21000 et seq.), the Natural Resources Agency has amended portions of the State CEQA Guidelines (Cal. Code Regs, tit. 14, §§ 15000 et seq.), and the California courts have interpreted specific provisions of CEQA and the State CEQA Guidelines; and

WHEREAS, Public Resources Code section 21082 requires all public agencies to adopt objectives, criteria and procedures for (1) the evaluation of public and private projects undertaken or approved by such public agencies, and (2) the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation; and

WHEREAS, the Local Agency Formation Commission of Orange County (“OC LAFCO”) must revise its local guidelines for implementing CEQA to make them consistent with the current provisions and interpretations of CEQA and the State CEQA Guidelines.

NOW, THEREFORE, the OC LAFCO hereby resolves as follows:

SECTION 1. The OC LAFCO hereby adopts the “2022 Local Guidelines for Implementing the California Environmental Quality Act,” a copy of which is on file at the offices of the OC LAFCO and is available for inspection by the public.

SECTION 2. All prior actions of the OC LAFCO enacting earlier guidelines are hereby repealed.

AYES:

NOES:

STATE OF CALIFORNIA)

) SS.

COUNTY OF ORANGE)

I, DOUGLASS DAVERT, Chair of the Local Agency Formation Commission of Orange County, California, hereby certify that the above and foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof, held on the 11th day of May 2022.

IN WITNESS WHEREOF, I have hereunto set my hand this 11th day of May 2022.

DOUGLASS DAVERT
Chair of the Orange County
Local Agency Formation Commission

By: _____
DOUGLASS DAVERT

ATTEST:

Cheryl Carter-Benjamin, Commission Clerk
Orange County LAFCO

May 11, 2022

6c | Consent
Calendar**REGULAR MEMBERS****CHAIR**
Douglass Davert
Special District Member**VICE CHAIR**
Donald P. Wagner
County Member**IMMEDIATE PAST CHAIR**
Derek J. McGregor
Public Member**Lisa Bartlett**
County Member**Wendy Bucknum**
City Member**James Fisler**
Special District Member**Mike Posey**
City Member**ALTERNATES****Andrew Do**
County Member**Kathryn Freshley**
Special District Member**Peggy Huang**
City Member**Lou Penrose**
Public Member**STAFF****Carolyn Emery**
Executive Officer**Scott Smith**
General Counsel**TO:** Local Agency Formation Commission
of Orange County**FROM:** Executive Officer**SUBJECT:** Local Agency Investment Fund (LAIF) Account Update**BACKGROUND**


On February 8, 2006, the Commission established an investment account with the Local Agency Investment Fund (LAIF) for the investment of OC LAFCO funds that are not required for the agency's immediate needs. LAIF is a voluntary program created by statute in 1977 as an investment alternative for California's local governments and special districts.

To participate in LAIF, local governmental agencies are required to file a resolution adopted by the agency's governing board with the State Treasurer's Office authorizing appropriate officials to act on the behalf of the agency. The attached resolution updates the Commission's current resolution on file with LAIF and aligns with the Commission's current local policy for this matter.

RECOMMENDED ACTION

1. Adopt OC LAFCO Resolution No. CP 22-04 authorizing investment of monies in the Local Agency Investment Fund. **(Attachment 1)**

Respectfully submitted,



CAROLYN EMERY

Attachment:

1. OC LAFCO Resolution No. CP 22-04

RESOLUTION NO. CP 22-04

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
OF ORANGE COUNTY, CALIFORNIA
AUTHORIZING INVESTMENT OF MONIES IN
THE LOCAL AGENCY INVESTMENT FUND (LAIF)

May 11, 2022

WHEREAS, The Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Local Agency Formation Commission of Orange County ("OC LAFCO") hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein is in the best interests of the OC LAFCO;

NOW THEREFORE, BE IT RESOLVED, that the OC LAFCO hereby authorizes the deposit and withdrawal of OC LAFCO monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows:

Section 1. The following OC LAFCO officers holding the title(s) specified herein below or their successors in office are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

Carolyn Emery – Executive Officer
Vacant – Assistant Executive Officer
Luis Tapia – Policy Analyst II

Section 2. This resolution shall remain in full force and effect until rescinded by the OC LAFCO by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

PASSED AND ADOPTED, by the Local Agency Formation Commission of Orange County, California on May 11, 2022.

DOUGLASS DAVERT
Chair of the Local Agency Formation
Commission of Orange County

By: _____
DOUGLASS DAVERT

ATTEST:

Cheryl Carter-Benjamin, Commission Clerk

May 11, 2022

7a | Public
Hearing**REGULAR MEMBERS**

CHAIR

Douglass Davert
Special District Member

VICE CHAIR

Donald P. Wagner
County Member

IMMEDIATE PAST CHAIR

Derek J. McGregor
Public Member**Lisa Bartlett**
County Member**Wendy Bucknum**
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County Member**Kathryn Freshley**
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City Member**Lou Penrose**
Public Member**STAFF****Carolyn Emery**
Executive Officer**Scott Smith**
General Counsel**TO:** Local Agency Formation Commission**FROM:** Executive Officer**SUBJECT:** Final OC LAFCO Fiscal Year 2022-2023 Budget**BACKGROUND**

On March 9, 2022, the Commission adopted the proposed Fiscal Year 2022-23 budget. Subsequently, the documents were distributed to each of the funding agencies for review and comment.

Since the distribution of the proposed budget, staff has conducted a competitive proposal process to engage a professional consultant to prepare the municipal service reviews for the Southwest and West MSR regions. In part to this process, Rosenow Specavek Group Incorporated (RSG) was selected by staff to prepare the MSRs, and to accommodate the agreement, an adjustment to \$150,000 within the *Other Professional Services* budget line item is being recommended by staff. If the Commission approves the final budget, the adjustment would be funded within the transfer from the unreserved cash. The professional services agreement with RSG is provided under Agenda Item No. 8a for Commission consideration.

The recommended final OC LAFCO budget for Fiscal Year 2022-23 (**Attachment 1**) totals \$1,556,120, which reflects a \$50,000 or three percent increase from the approved proposed budget. As a note, the OC LAFCO apportionment of \$1,227,730 funded equally in three parts by the County, cities, and special districts, as well as the other line items, are proposed to remain the same as indicated in the March 9 proposed budget. Additionally, the two-year budget projections, which are intended to anticipate future changes to the OC LAFCO budget, have been revised accordingly and are referenced in **Attachment 2**.

AGENCY/PUBLIC COMMENTS

On March 9, 2022, the proposed OC LAFCO Fiscal Year 2022-23 budget was distributed to the Board of Supervisors, County Executive Office, and each city and independent special district for review and comment. In addition, a notice of public hearing of the final budget was published in the Orange County Register and distributed to the funding agencies on

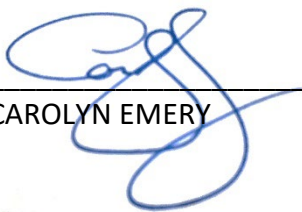
April 19, 2022. As of May 4, 2022, the date of the agenda publishing, OC LAFCO had not received any written comments.

RECOMMENDED ACTIONS

Staff recommends that the Commission:

1. Adopt the final OC LAFCO FY 2022-23 Budget.
2. Direct the Executive Officer to transmit the final budget to the Board of Supervisors, cities, special districts and the County Auditor-Controller.

Respectfully submitted,



CAROLYN EMERY

Attachments:

1. Final OC LAFCO FY 2022-23 Budget
 - A. *FY 2022-23 Budget Categories*
 - B. *OC LAFCO City Apportionments for FY 2022-23 (prepared by County Auditor-Controller)*
 - C. *OC LAFCO Special District Apportionments for FY 2022-23 (prepared by County Auditor-Controller)*
2. Two-year Budget Projections (FYs 2023-24 and 2024-25)

Orange County Local Agency Formation Commission

Final Budget

Fiscal Year 2022/23

		FY 21/22	FY 22/23	\$	%
		Amended	Final	Budget	Budget
		Budget	Budget	Variance	Variance
Revenue & Use / (Addition) Of Cash					
	Use Of / (Addition To) Unreserved Cash	\$ 200,010	\$ 322,090	\$ 122,080	61.0%
4000	LAFCO Apportionment	1,158,240	1,227,730	69,490	6.0%
4200	Interest	10,000	6,300	(3,700)	-37.0%
4150	Miscellaneous Revenue	-	-	-	0.0%
Net Revenue & Use / (Addition) Of Unreserved Cash		1,368,250	1,556,120	187,870	13.7%
Expense					
Salaries & Benefits					
5000	Salaries	552,330	574,500	22,170	4.0%
5010	Hourly Employees	18,000	20,800	2,800	15.6%
5106	Retirement	218,650	250,300	31,650	14.5%
5109	Retiree Health Benefits	19,040	19,300	260	1.4%
5108	Health Insurance	67,230	65,600	(1,630)	-2.4%
5110	Dental Insurance	5,320	2,700	(2,620)	-49.2%
5112	Life Insurance	500	460	(40)	-8.0%
5102	Optional Benefit Plan	18,500	18,500	-	0.0%
5104	Deferred Compensation	16,800	17,500	700	4.2%
5116	Medicare	8,540	8,900	360	4.2%
5114	Worker's Compensation	2,460	3,520	1,060	43.1%
5120	Salary Continuance	1,450	1,510	60	4.1%
5122	Accidental Death Insurance	150	170	20	13.3%
5125	Executive Car Allowance	7,200	7,200	-	0.0%
SubTotal: Salaries & Benefits		936,720	990,960	54,240	5.8%
Office Operations					
5150	Information Technology	12,700	12,800	100	0.8%
5151	Internet & Telephone	14,500	14,500	-	0.0%
5200	County Charges	11,000	8,200	(2,800)	-25.5%
5250	Insurance	7,400	7,600	200	2.7%
5350	Membership/Subscriptions	35,600	36,400	800	2.2%
5450	Office Equipment/Supplies	19,400	22,500	3,100	16.0%
Professional Services					
5510	Legal	25,000	60,000	35,000	140.0%
5520	Audit/Accounting	43,500	49,700	6,200	14.3%
5530	Human Resources	9,500	10,000	500	5.3%
5540	Other Professional	85,000	150,000	65,000	76.5%

Orange County Local Agency Formation Commission

Final Budget

Fiscal Year 2022/23

	FY 21/22	FY 22/23	\$	%
	Amended	Final	Budget	Budget
	Budget	Budget	Variance	Variance
Other Operations				
5535 Mapping	7,300	9,300	2,000	27.4%
5550 Investment Admin Fees	830	660	(170)	-20.5%
5600 Public Noticing / Communications	11,500	11,650	150	1.3%
5610 Unincorporated Areas Program	3,000	8,000	5,000	166.7%
5650 Rents/Maintenance	100,600	104,100	3,500	3.5%
5675 Equipment Leases & Maintenance	7,700	8,700	1,000	13.0%
5700 Commissioner/Staff Expenses	7,000	7,000	-	0.0%
5710 Commission Stipends & Taxes/Fees	15,500	15,950	450	2.9%
5750 Professional Development	5,000	5,000	-	0.0%
5800 Registration/Travel	3,000	13,600	10,600	353.3%
5850 Commission Meeting Expenses	6,500	9,500	3,000	46.2%
Subtotal: Office Operations & Services	431,530	565,160	133,630	31.0%
Total Expense	1,368,250	1,556,120	187,870	13.7%
Net Budget	\$ -	\$ -		

Projected Cash Reserves			
Reserved Cash			
Contingency Reserve	100,000	\$	100,000
Reserve for Litigation	75,000		75,000
Unfunded Liability Reserve	30,000		30,000
Operating Reserve - 25% Budgeted Expenses	342,063		389,030
Total Reserved Cash	547,063		594,030
Unreserved Cash			
Balance at the Beginning of FY	891,375		825,635
Addition / (Drawdown) to Unreserved Cash	(200,010)		(322,090)
Total Unreserved Cash	691,365		503,545
Total Projected Cash Reserves	\$ 1,238,428	\$	1,097,575

OC LAFCO FY 2022-23 BUDGET CATEGORIES

REVENUES

The following summarizes the revenue categories of the OC LAFCO Budget:

4000 OC LAFCO Apportionment

These funds are provided by the County, independent special districts and cities. The County pays 1/3 of the total apportionment cost. The cost allocation formulas for the cities and special districts are in accordance with the alternative formulas adopted by the City Selection Committee and the Independent Special Districts Selection Committee respectively.

4050 Filing Fees

These funds are provided by incoming project applications, including but not limited to annexations, reorganizations, incorporations, dissolutions, and consolidations. Filing fees vary with each project received and are not budgeted as revenue due to the uncertainty of when applications will be filed. Filing fees are collected to offset OC LAFCO salaries, benefits and other expenditures associated with applications.

4150 Miscellaneous Revenue

These funds are incurred by nonoperational income including but not limited to reimbursements.

4200 Interest

These funds are the interest earned from the agency's bank and County payroll accounts and investment portfolio, including the Local Agency Investment Fund (LAIF) and Orange County Fund (OC Fund).

EXPENDITURES

The following summarizes the expenditure categories of the OC LAFCO Budget:

5000-5125 Salaries and Benefits

These categories include costs incurred for OC LAFCO employee salaries and benefits, including retirement, life, accidental and disability insurance, health and dental insurance, workers' compensation, and Medicare. OC LAFCO contracts with the County of Orange for payroll and benefit services.

5150 Information Technology

This category includes costs incurred for the technical support for regular maintenance and upgrades to the OC LAFCO computer systems and website. OC LAFCO contracts with independent consultants for IT and website services.

5151 Internet and Telephone

This category includes costs for the usage, technical support, equipment purchasing, leasing and maintenance for office and mobile telephones and internet service.

OC LAFCO FY 2022-23 BUDGET CATEGORIES

5200 County Charges

This category includes costs incurred for payroll processing, records archiving and storage, and billing, collection and intranet services provided by the County of Orange.

5250 Insurance

This category includes costs incurred for insurance coverage. OC LAFCO contracts with the County and a joint powers authority for the following coverages for instances that occur during the general operation of the agency.

- General Liability– Includes coverage for personal injury (including bodily injury and property damage), non-owned auto liability, public officials’ errors and omissions and employment practices liability.
- Crime – Includes coverage for employee or non-employee theft, burglary, forgery or alteration, computer fraud, funds transfer fraud.
- Property - Includes per occurrence, all perils coverage for damage to property including personal property and business interruption coverage.
- Workers’ Compensation – Includes coverage for employees involving work-related injuries.

5350 Membership/Subscriptions

This category includes memberships and subscriptions fees to CALAFCO, CSDA, OCBC, CDR and other applicable memberships.

5450 Office Equipment and Supplies

This category includes costs incurred for the purchase of office supplies and equipment, computers, and software that support the efficient operations of the agency.

5500 Professional Services

This category includes costs incurred for professional services provided to OC LAFCO. The following are subcategories for professional services:

- ✓ **5510 Legal** – OC LAFCO general counsel services.
- ✓ **5520 Auditing/Accounting** – Bookkeeping, accounting and auditing services. OC LAFCO audited financial statements are prepared by an independent auditor.
- ✓ **5530 Human Resources** – Personnel services that may be provided by an independent consultant for assistance with recruitment, professional development and other human resource areas.
- ✓ **5535 Mapping** – OC LAFCO’s Geographic Information System (GIS) and other mapping programs.

OC LAFCO FY 2022-23 BUDGET CATEGORIES

- ✓ **5540 Other Professional Services** – Consulting and professional services for meeting facilitation, peer reviews, and preparation of Municipal Service Reviews, fiscal studies and other reports and projects.

5550 Investment Admin Fees

This category includes costs incurred for administrative fees charged by Wells Fargo and the County of Orange for financial services related to the checking and payroll accounts.

5600 Public Noticing/Communications

This category includes costs incurred for required legal notices and other communications for Commission-initiated and other projects (e.g., spheres of influence reviews and updates, municipal service reviews, and annual budget adoption) that are not reimbursable through application fees.

5610 Unincorporated Areas Program

This category includes costs incurred for the processing of applications under the Commission's Unincorporated Areas Program.

5650 Rents/Maintenance

This category includes costs for leasing and maintenance of OC LAFCO office space.

5675 Equipment Leases/Maintenance

This category includes costs for leasing and maintenance of the OC LAFCO copier and printers.

5700 Commissioner/Staff Expenses

This category includes costs incurred by Commissioners and staff to attend OC LAFCO and other related business meetings and activities.

5710 Commissioner Stipends & Taxes/Fees

This category includes Commissioner meeting stipends and related employment taxes and fees.

5750 Professional Development

This category includes costs related to employee professional development (e.g., college/university degree programs and courses, certificate programs, leadership seminars).

5800 Transportation/Travel/Registration

This category includes costs incurred for registration and travel expenses for commissioners and staff to attend the CALAFCO annual conference, staff workshop, board meetings and other educational activities.

5850 Commission Meeting Expenses

This category includes costs incurred for communications, room rental, parking and miscellaneous expenses for Commission meetings.

OC LAFCO FY 2022-23 BUDGET CATEGORIES

Contingency Reserve

Restricted funds used to cover any unforeseen future agency loss and/or urgency (i.e., property or equipment damage, loss or theft).

Reserve for Litigation

Restricted funds used for costs related to agency litigation not covered by application fees and deposits.

Unfunded Liability Reserve

Restricted funds used to offset anticipated agency liabilities (i.e., employee compensated absences).

OC LAFCO FY 2022-23 City Allocations

City	FY 2022-23 City Allocation
Aliso Viejo	\$ 6,302.35
Anaheim	45,112.24
Brea	7,243.61
Buena Park	10,108.31
Costa Mesa	14,296.24
Cypress	6,084.08
Dana Point	4,719.94
Fountain Valley	7,325.46
Fullerton	18,415.95
Garden Grove	20,216.62
Huntington Beach	24,950.20
Irvine	41,647.32
Laguna Beach	4,337.98
Laguna Hills	4,542.60
Laguna Niguel	9,712.71
Laguna Woods	2,305.40
La Habra	7,639.21
Lake Forest	11,977.19
La Palma	1,855.24
Los Alamitos	2,100.78
Mission Viejo	13,164.00
Newport Beach	14,514.50
Orange	19,098.02
Placentia	6,329.63
Rancho Santa Margarita	7,707.42
San Clemente	10,558.48
San Juan Capistrano	6,970.78
Santa Ana	36,995.59
Seal Beach	5,306.52
Stanton	4,378.91
Tustin	10,094.67
Villa Park	1,064.03
Westminster	10,858.59
Yorba Linda	11,308.76
TOTAL	\$ 409,243.33

OC LAFCO FY 2022-23 Special District Allocations

District	ISDOC Formula Calculation FY 2022-23
Silverado-Modjeska Rec. & Park	\$ 491.09
Surfside Colony Stormwater	491.09
Surfside Colony CSD	491.09
Rossmoor/Los Alamitos Area Sewer District	2,373.61
Capistrano Bay CSD	2,373.61
Rossmoor CSD	2,373.61
Three Arch Bay CSD	2,373.61
Emerald Bay CSD	2,373.61
Buena Park Library District	2,373.61
Placentia Library District	2,373.61
Orange County Cemetery District	3,601.34
Orange County Vector Control District	4,788.15
Total Non-Enterprise Districts	\$ 26,478.03
Sunset Beach Sanitary District	4,788.15
Serrano Water District	14,364.44
East Orange Co. Water District	19,152.59
Midway City Sanitary District	19,152.59
Trabuco Canyon Water District	19,152.59
Costa Mesa Sanitary District	19,152.59
El Toro Water District	23,899.81
Mesa Water District	23,899.81
Yorba Linda Water District	23,899.81
South Coast Water District	28,687.96
Moulton Niguel Water District	33,476.10
Santa Margarita Water District	33,476.10
Municipal Water District of O.C.	38,264.25
Orange County Water District	38,305.18
Irvine Ranch Water District	43,093.33
Total Enterprise Districts	\$ 382,765.30
Total Special Districts	\$ 409,243.33

Orange County Local Agency Formation Commission

Final Budget Projections

Fiscal Year 2022/23 - 2024/25

	FY 22/23	FY 23/24	FY 24/25
	Final	Projected	Projected
	Budget	Budget	Budget
Revenue & Use / (Addition) Of Cash			
Use Of / (Addition To) Unreserved Cash	\$ 322,090	\$ 288,790	\$ 203,710
4000 LAFCO Apportionment	1,227,730	1,301,400	1,379,500
4200 Interest	6,300	6,300	6,420
4150 Miscellaneous Revenue	-	-	-
Net Revenue & Use / (Addition) Of Unreserved Cash	1,556,120	1,596,490	1,589,630
Expense			
Salaries & Benefits			
5000 Salaries	574,500	594,700	612,600
5010 Hourly Employees	20,800	21,600	22,300
5106 Retirement	250,300	260,400	268,300
5109 Retiree Health Benefits	19,300	20,300	21,400
5108 Health Insurance	65,600	68,900	72,400
5110 Dental Insurance	2,700	2,730	2,760
5112 Life Insurance	460	490	520
5102 Optional Benefit Plan	18,500	18,500	18,500
5104 Deferred Compensation	17,500	18,120	18,670
5116 Medicare	8,900	9,300	9,500
5114 Worker's Compensation	3,520	3,700	3,900
5120 Salary Continuance	1,510	1,490	1,540
5122 Accidental Death Insurance	170	180	190
5125 Executive Car Allowance	7,200	7,200	7,200
SubTotal: Salaries & Benefits	990,960	1,027,610	1,059,780
Office Operations			
5150 Information Technology	12,800	13,300	13,700
5151 Internet & Telephone	14,500	15,100	15,600
5200 County Charges	8,200	8,500	8,800
5250 Insurance	7,600	7,900	8,200
5350 Membership/Subscriptions	36,400	37,680	38,820
5450 Office Equipment/Supplies	22,500	15,000	15,450
Professional Services			
5510 Legal	60,000	60,000	60,000
5520 Audit/Accounting	49,700	51,440	52,990
5530 Human Resources	10,000	10,350	10,670
5540 Other Professional	150,000	150,000	100,000

Orange County Local Agency Formation Commission

Final Budget Projections

Fiscal Year 2022/23 - 2024/25

	FY 22/23	FY 23/24	FY 24/25
	Final	Projected	Projected
	Budget	Budget	Budget
Other Operations			
5535 Mapping	9,300	9,630	9,920
5550 Investment Admin Fees	660	690	720
5600 Public Noticing / Communications	11,650	12,060	12,430
5610 Unincorporated Areas Program	8,000	8,000	8,000
5650 Rents/Maintenance	104,100	107,120	110,360
5675 Equipment Leases & Maintenance	8,700	9,010	9,290
5700 Commissioner/Staff Expenses	7,000	7,300	7,600
5710 Commission Stipends & Taxes/Fees	15,950	16,600	17,100
5750 Professional Development	5,000	5,200	5,400
5800 Registration/Travel	13,600	14,100	14,600
5850 Commission Meeting Expenses	9,500	9,900	10,200
Subtotal: Office Operations & Services	565,160	568,880	529,850
Total Expense	1,556,120	1,596,490	1,589,630
Net Budget	\$ -	\$ -	\$ -

Projected Cash Reserves

Reserved Cash			
Contingency Reserve	\$ 100,000	\$ 100,000	\$ 100,000
Reserve for Litigation	75,000	75,000	75,000
Unfunded Liability Reserve	30,000	30,000	30,000
Operating Reserve - 25% Budgeted Expenses	389,030	399,123	397,408
Total Reserved Cash	594,030	604,123	602,408
Unreserved Cash			
Balance at the Beginning of FY	825,635	493,453	206,378
Addition / (Drawdown) to Unreserved Cash	(322,090)	(288,790)	(203,710)
Total Unreserved Cash	503,545	204,663	2,668
Total Projected Cash Reserves	\$ 1,097,575	\$ 808,785	\$ 605,075

May 11, 2022

TO: Local Agency Formation Commission**FROM:** Executive Officer**SUBJECT:** Professional Consultant Services Agreement with
Rosenow Specavek Group Incorporated (RSG)**REGULAR MEMBERS****CHAIR**
Douglass Davert
Special District Member**VICE CHAIR**
Donald P. Wagner
County Member**IMMEDIATE PAST CHAIR**
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Special District Member**Peggy Huang**
City Member**Lou Penrose**
Public Member**STAFF****Carolyn Emery**
Executive Officer**Scott Smith**
General Counsel**BACKGROUND**

In November 2021, OC LAFCO released a Request for Proposals (RFPs) consistent with the Commission's policies and procedures. The process called for proposals to conduct and prepare municipal service reviews (MSR) and sphere of influence (SOI) reviews for the Southwest and West regions. Preparation of the Southwest and West MSRs, which includes the review of municipal services provided by 13 cities, 11 special districts and a single joint powers authority, is identified in the Commission's FY 2021-2022 work plan. Conducting of the reviews for these regions would move forward the timeline established for the fourth cycle of MSRs and SOI reviews.

The next section of the report provides additional details on the RFP process for this key project.

DISCUSSION

In order to secure proposals from firms qualified to perform the project scope of work, the RFP was distributed to three firms based in southern California: 1) De Novo Planning Group (Tustin), 2) Economic & Planning Systems Incorporated (Los Angeles), and 3) Rosenow Specavek Group Incorporated (Irvine). In accordance with the Commission's policy for the competitive bidding process, the firms solicited were acquired from a list established through an RFP process recently conducted by Los Angeles LAFCO. The Commission's policy allows for the consideration of consultants from a list established by other LAFCOs or the County of Orange within the last three calendar years to provide a similar service. Subsequent to the call for responses to the RFP, a proposal was submitted by Rosenow Specavek Group (RSG) and evaluated by the OC LAFCO staff. In addition to meeting the requirements and firm qualifications of the OC LAFCO RFP, RSG was also a finalist in recent RFP processes conducted by Los Angeles and Riverside LAFCOs and was ultimately selected by both commissions.

Established in 1979, RSG has over 40 years of experience assisting local governments in the areas of economic development, fiscal health, and housing initiatives. The firm has extensive experience in conducting MSRs, preparing fiscal studies for reorganizations, annexations and incorporations, and specific prior experience includes the preparation of multiple fiscal studies for OC LAFCO's unincorporated islands program. Additionally, as noted within the proposed scope of work, the RSG team has the ability and resources to meet the project schedule.

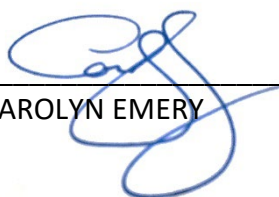
The professional services agreement with RSG for a total not-to-exceed of \$199,945 is referenced as **Attachment 1** to this report for Commission consideration. Resulting from discussions between the Commission staff and firm representatives, the RSG standard billing rate has been reduced and reflects a savings of approximately \$28,000. If the agreement is approved by the Commission, the full cost of the agreement will be funded through the agency's **Other Professional Services** budget line item specifically designated for the preparation of MSRs. As the agreement proposes to commence in May, funds from the current and next fiscal year budgets will be allocated to the deliverables of the agreement accordingly.

RECOMMENDED ACTIONS

Staff recommends that the Commission:

1. Approve the professional services agreement with RSG, Inc. to conduct the MSRs for the Southwest and West Regions.
2. Authorize the Executive Officer to execute the agreement.

Respectfully submitted,



CAROLYN EMERY

Attachment:

1. Professional Services Agreement with Rosenow Specavek Group Incorporated

**ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION
PROFESSIONAL CONSULTANT SERVICES AGREEMENT**

This Agreement is made effective, _____, 2022, by and between ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (hereinafter referred to as “OC LAFCO”), organized and operating pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (Government Code Sections 56000 et seq.), and Rosenow Specavek Group Incorporated (hereinafter referred to as “Consultant”).

RECITALS

A. OC LAFCO is a public agency of the State of California and is in need of professional consulting services for the preparation and completion of Municipal Service Reviews for OC LAFCO Southwest and West MSR regions (hereinafter referred to as “the Project”).

B. Consultant is qualified by virtue of experience, training, education and expertise to provide such services.

C. This Agreement is to establish the terms and conditions for OC LAFCO to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Term and Time of Performance.

The term of this Agreement shall be from the effective date through June 30, 2023, unless terminated in accordance with the procedures outlined in Section 15 of this Agreement. Consultant shall perform its services hereunder in a prompt and timely manner and shall commence performance upon the execution of this Agreement.

2. Services.

Consultant shall provide OC LAFCO with the services described in the Scope of Services attached hereto as Exhibit “A.”

3. Compensation.

a. Subject to paragraph 3(b) below, OC LAFCO shall pay for such services in accordance with the Schedule of Charges set forth in Exhibit “B.”

b. The compensation for services rendered by the consultant pursuant to Exhibit

“A” shall not exceed \$199,945. Any additional work must be approved in advance and agreed to by both parties as outlined in section 4.

c. Consultant shall invoice monthly for completed tasks in each phase, to include reimbursable expenses incurred at actual costs (i.e., overnight shipping, teleconference services, and noticing) as shown in Exhibit B.

d. Consultant shall submit to OC LAFCO a statement for services rendered. OC LAFCO shall cause payment to be made to Consultant within thirty (30) working days from receipt of statement for services and OC LAFCO's determination that Consultant has adequately performed those services for which OC LAFCO has been invoiced.

4. Additional Work

If changes in the work seem merited by Consultant or OC LAFCO, and informal consultations with the other party indicate that a change is warranted, it shall be processed by OC LAFCO in the following manner: Consultant shall forward a letter outlining the changes to OC LAFCO with a statement of estimated changes in fee or time schedule. An amendment to the Agreement shall be prepared by OC LAFCO and executed by both parties before performance of such services or OC LAFCO will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

5. Maintenance of Records.

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the Agreement period and for four (4) years from the date of final payment under the contract for inspection by OC LAFCO.

6. Delays in Performance.

Neither OC LAFCO nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include but are not limited to, abnormal weather conditions; floods; earthquakes; fire; epidemics; war; riots and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances; sabotage or judicial restraint.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

7. Compliance with Law.

a. Consultant shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local government.

b. Consultant shall assist OC LAFCO in obtaining and maintaining all permits required of Consultant by Federal, State and local regulatory agencies.

8. Standard of Care.

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

9. Assignment and Sub-consultant.

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of OC LAFCO, which may be withheld for any reason. Nothing contained herein shall prevent Consultant from employing independent associates and sub-consultants as Consultant may deem appropriate to assist in the performance of services hereunder.

10. Independent Contractor.

It is agreed that Consultant shall act and be an independent contractor and is not an agent or employee of OC LAFCO and is not entitled to participate in any compensation plans or other benefits OC LAFCO provides for its employees. All services shall be performed by Consultant or under its supervision. Consultant will determine the means, methods and details of performing the services, subject to the requirements of this Agreement. Any additional personnel performing the services under this Agreement on behalf of Consultant shall also not be employees of OC LAFCO and shall at all times be under Consultant's exclusive direction and control. Consultant shall be responsible for all reports and obligations respecting such personnel, including but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance and workers' compensation insurance.

11. Integration.

This Agreement represents the entire understanding of OC LAFCO and Consultant as to those matters contained herein and supersedes and cancels any prior oral or written understanding, promises or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties hereto. This is an integrated Agreement.

12. Insurance.

Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, all insurance set forth in "Exhibit C" hereto, in a form and with insurance companies acceptable to OC LAFCO.

13. Indemnification.

To the fullest extent permitted by law, Consultant shall defend, indemnify and hold OC LAFCO, its Board, members of the Board, employees, and authorized volunteers free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to the alleged negligent acts, errors or omissions caused by the negligence, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services or this Agreement, including without limitation the payment of all consequential damages, expert witness fees and attorney's fees and other related costs and expenses. Notwithstanding the foregoing, to the extent Consultant's services are subject to Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Consultant.

In addition, Consultant shall defend, with counsel of OC LAFCO's choosing and, to the extent permitted by Civil Code Section 2782.8, at Consultant's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind covered by this section arising out of, pertaining to, or incident to the alleged negligent acts, errors or omissions caused by the negligence, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of the Consultant's services or this Agreement that may be brought or instituted against OC LAFCO or its Board, members of the Board, employees, and authorized volunteers. Consultant shall pay and satisfy any judgment, award or decree that may be rendered against OC LAFCO or its Board, members of the Board, employees, and authorized volunteers as part of any such claim, suit, action or other proceeding. Consultant shall also reimburse OC LAFCO for the cost of any settlement paid by OC LAFCO or its Board, members of the Board, employees, or authorized volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for OC LAFCO's attorney's fees and costs, including expert witness fees. Consultant shall reimburse OC LAFCO and its Board, members of the Board, employees, and/or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by OC LAFCO, its Board, members of the Board, employees, or authorized volunteers. Consultant shall have no duty or obligation to defend, indemnify, and/or pay settlement expenses of OC LAFCO, its Board, its Board members, employees, or authorized volunteers due to the negligence, errors or omissions caused by the sole negligence, and/or willful misconduct of OC LAFCO, its Board, its Board members, employees or authorized volunteers.

14. Laws, Venue, and Attorneys' Fees.

This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of Orange, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, as determined by the court.

15. Termination or Abandonment.

a. OC LAFCO may terminate this Agreement for any reason or no reason by giving thirty (30) calendar days' written notice of termination. OC LAFCO shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by OC LAFCO and Consultant of the portion of such task completed but not paid prior to said termination. OC LAFCO shall not be liable for any costs other than the charges or portions thereof which are specified herein. Consultant shall not be entitled to payment for unperformed services and shall not be entitled to damages or compensation for termination of work.

b. Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to OC LAFCO only in the event of substantial failure by OC LAFCO to perform in accordance with the terms of this Agreement through no fault of Consultant.

16. Key Personnel.

Consultant shall assign James Simon as the Principal Consultant. The Principal Consultant shall not be removed from the Project or reassigned without the prior written consent of OC LAFCO.

17. Notice.

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

OC LAFCO:
Carolyn Emery, Executive Officer
OC LAFCO
2677 N. Main Street, Suite 1050
Santa Ana, CA 92705

Consultant:
James Simon, Principal
RSG Inc.
17872 Gillette Avenue, Suite 350
Irvine, CA 92614

and shall be effective upon receipt thereof.

18. Third Party Rights.

Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than OC LAFCO and the Consultant.

19. Severability.

The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid or illegal.

20. Acknowledgment.

Consultant acknowledges that by executing this agreement, they are also, in good faith, determining that the appointment meets each of the requirements set forth in Government Code Section 7522.56, including the unemployment insurance requirement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**ORANGE COUNTY LOCAL AGENCY
FORMATION COMMISSION**

**ROSENOW SPECAVEK GROUP
INCORPORATED**

By: _____
Carolyn Emery, Executive Officer

By: _____
James Simon, Principal

Dated: _____

Dated: _____

Approved as to form:

Scott C. Smith, General Counsel
Orange County Local Agency Formation Commission

Attest:

Cheryl Carter-Benjamin,
Commission Clerk

EXHIBIT “A”
SCOPE OF SERVICES and SCHEDULE

The Consultant will prepare two MSRs (West and Southwest MSR Regions). To prepare the required MSR and SOI determinations and recommendations, the Consultant will analyze the following areas of relevance:

Municipal Service Review Criteria Detail

- (1) *Growth and population projections for the affected area:* Consultant will analyze current and future population and demographic characteristics as they relate to the service plans and delivery for existing and proposed service areas of the affected agencies. Analysis will include discussion of how the affected agencies are planning to meet future needs given demographic trends and population projections.
- (2) *The location and characteristics of any disadvantaged unincorporated communities (DUCs) within or contiguous to the SOI:* Consultant will obtain from OC LAFCO staff current DUCs within the affected areas and conduct the required analysis for the MSRs.
- (3) *Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies in any disadvantaged and unincorporated communities within or contiguous to the sphere of influence.:* Existing facility, real property assets, and infrastructure will be categorized and analyzed to determine present sufficiency and future requirements.
- (4) *Financial ability of agencies to provide services:* A detailed financial analysis will be conducted on the present and future capacity of the affected agencies to support the current and future servicing needs of the service areas.
- (5) *Status of, and opportunities for, shared services:* Consultant will analyze existing facilities and service areas for duplication of efforts and to address potential economies of scale to be gained by alternative governance options.
- (6) *Accountability for community service needs, including governmental structure and operational efficiencies:* A review of the current government structure of the affected agencies would be conducted, including performed audits and the availability of the findings to the public as well as efforts made by the affected agencies to encourage public participation and ensure accountability.
- (7) *Any other matter related to effective service delivery as required by commission policy.* Consultant reviewed OC LAFCO’s policies posted online and did not find any pertaining to the MSR/SOI Update process, but we would confirm this conclusion with staff prior to proceeding.

Sphere of Influence Detail

- (1) *Present and planned land uses including agricultural and open-space lands:* Consultant will perform an analysis of existing and future land use designations and compatibility with local

EXHIBIT “A”

SCOPE OF SERVICES and SCHEDULE

general plans. Analysis will include protection of prime agricultural, open space, and recreational public benefit land use designations.

- (2) *Present and probable need for public facilities and services:* A review of present service provisions and facilities, and analysis of present capacity to support future requirements for each agency will be conducted. Consideration will be given to potential changes in service area/program size while maintaining or increasing efficiencies.
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide:* Consultant will review the present infrastructure, facilities, and service programming while analyzing each agency’s ability to assess and address its’ own local service demands.
- (4) *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency:* Consultant will review existing socio-economic communities of interest for each agency to determine current service deficiencies, challenges, and opportunities in addressing the needs of each community while planning for the future.
- (5) *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection that occurs pursuant to subdivision (g)* on or after July 1, 2012 along with the present and probable need for those public facilities and services of any DUCs within the existing SOI:* A review of each agency to identify potential economies of scale that may be gained by future boundary changes or alternative governance structures.

TASK 1: PROJECT INITIATION

Prior to scheduling a kickoff meeting, Consultant would review past MSRs pertaining to the affected agencies (as appropriate), develop a matrix illustrating past determinations and other key findings, and then prepare an updated schedule for the concurrent preparation and consideration of both Fourth Cycle MSRs. The matrix in particular will facilitate a thoughtful and impactful kickoff discussion with the client.

Consultant will arrange a kickoff meeting with OC LAFCO staff within thirty (30) days of contract commencement. This meeting will cover the collective understanding of the scope of work for the project, including known issues, concerns, and status of past determinations and findings from the viewpoint of OC LAFCO staff.

Following the meeting, we would issue a request for information from OC LAFCO, including requesting shapefiles and boundaries of each agency, each SOI, and any DUCs within the study areas. We would also request the detailed feedback (notes, summaries) from the 2019 agency outreach conducted by OC LAFCO staff that identified issues of interest among the affected agencies in each region, as well as OC LAFCO’s preferred survey template (for consistency with other MSRs conducted by OC LAFCO elsewhere in the County).

EXHIBIT “A”

SCOPE OF SERVICES and SCHEDULE

Timing and work products:

- *May 2022*
- *Deliverables: Matrix of past determinations and findings by agency and schedule*

TASK 2: DATA COLLECTION

Consultant envisions a three-part process of data collection for the MSRs. First, we would compile information from OC LAFCO’s fiscal indicators website and credible third-party demographic data for purposes of developing background information on each agency in the matrix previously created under Task 1. We would analyze this data across each agency, identifying types of services provided, fiscal data, and service issues and opportunities raised during prior MSRs.

Second, Consultant would prepare a survey instrument to kickoff outreach to each of the 25 affected agencies. Starting with the OC LAFCO template provided to Consultant, we would make necessary refinements to ensure that we capture information relevant to the authority of each agency to provide allowable services and understand the classes and levels of service provided in consultation with the pertinent principal acts for some of these agencies, including:

- Community services districts (Government Code Sections 61000-61250)
- Library districts (Education Code Sections 19460-19483)
- Parks and recreation districts (Public Resources Code Sections 5780-5796.20)
- Sanitary districts (Health and Safety Code Sections 6512(a)-6523.1)
- Wastewater agencies (Water Code Sections 13910-13915)
- Water districts (Water Code Sections 34000-38051)

Third, Consultant would coordinate and conduct individual agency interviews to discuss responses to the survey provided and dive deeper into those responses and the issues raised. These discussions will center around topics such as growth, ability to serve, constraints, SOI changes, and any DUCs. Our experience is that these interviews can be conducted in one to two virtual meetings.

At the conclusion of these interviews Consultant would analyze response results and begin drafting findings for the MSR and SOI for staff discussion. We would present these findings, broken down by agency, to the client for internal discussion purposes so that we will be aligned on the overall findings by agency prior to commencing drafting of the MSRs.

Timing and work products:

- *June – October 2022*
- *Deliverables: Survey, summary of responses, agency profiles, draft findings and determinations*

EXHIBIT “A”
SCOPE OF SERVICES and SCHEDULE

TASK 3: ADMINISTRATIVE DRAFT AND REVIEW OF MSR REPORT

Consultant would prepare an Administrative Draft MSR report for review by OC LAFCO staff. The report would address the determinations required by CKH Sections 56425 and 56430, and any additional factors/criteria established by OC LAFCO policy and guidelines. The report would be sent electronically to OC LAFCO staff for review prior to an (in-person or virtual) meeting to discuss staff comments and edits. Consultant will incorporate comments, edits, and corrections based on staff comments.

Pursuant to the RFP, the Administrative Draft MSR and SOI Updates would achieve the following objectives:

1. Comply with Government Code Sections §56430 and 56425, specifically, to enable the Commission to make determinations with respect to the factors delineated in each statute with respect to both the MSRs and SOI Updates.
2. Include not only the existing boundaries of each agency but will also concentrate on the future planned growth of the area beyond the existing borders, identified as the SOI. Furthermore, the study must include the proposed growth and any future annexation proposals contemplated by each of the agencies.
3. Conduct the required analyses in the most cost-effective manner possible.
4. Utilize information that is currently available rather than start new analyses.
5. Utilize key providers in each sub-region to help direct the project.
6. Conduct the service review and SOI update process in a collaborative fashion with opportunities for input and review by each of the agencies being reviewed.
7. Create a product that will be useful to the Commission in reviewing SOIs and proposals for changes of organization.
8. Create a product that will be beneficial to public agencies as a planning tool.
9. Create a product that will allow practical direct comparison between agencies offering similar services.
10. Have all published work products be readily accessible to, and easily understandable by, the public.

Timing and work products:

- *October 2022 – January 2023*
- *Deliverables: Administrative Draft MSR and SOI Updates*

EXHIBIT “A”
SCOPE OF SERVICES and SCHEDULE

TASK 4: PUBLIC REVIEW AND PUBLIC HEARING DRAFT MSRS AND SOI UPDATE

Consultant would prepare the Public Review MSR reports with updated information addressing comments received. An electronic copy would be sent to OC LAFCO staff for final review and distribution to each of the affected agencies, whom would be expected to provide comments and feedback. Consultant will then prepare and provide the Public Hearing Draft MSRs to OC LAFCO for final review, updates/revisions, and publication.

Consultant would attend one Commission public hearing to provide a summary presentation of the report, discuss any issues or concerns, and respond to questions.

Timing and work products:

- *February – May 2023*
- *Deliverables: Public Review and Public Hearing MSRs and SOI Update*

TASK 5: FINAL DRAFT MSRS AND SOI UPDATE

Consultant would prepare a comment log and incorporate all comments, edits, and corrections from the Commission, affected agencies, and the public for the Final Draft MSRs to the OC LAFCO staff for distribution to the Commissioners.

Consultant would attend one Commission meeting to provide a summary presentation of the Final Draft reports, discuss issues and concerns, and respond to questions. Upon approval, Consultant will transmit one electronic version of the final-approved report to OC LAFCO staff.

Timing and work products:

- *June – July 2023*
- *Deliverables: Final MSR and SOI Update*

EXHIBIT “B”**SCHEDULE OF CHARGES/PAYMENTS**

The following schedule for charges and payments shall apply to work performed under this Agreement:

Based on the Scope of Services described Exhibit A, the services provided by the Consultant shall not exceed \$199,945 inclusive of the hours and expenses pursuant to the Consultant’s Billing Rate and Fee Schedule, as shown below. Services provided will be billed on a time and materials basis, so actual cost may be less than the not to exceed amount. A budget detail and workflow schedule is also presented as Exhibit B-1.

BILLING RATES & FEE SCHEDULE

Principal / Director	\$ 235
Senior Associate	\$ 180
Associate	\$ 160
Senior Analyst	\$ 135
Analyst	\$ 125
Research Assistant	\$ 110
Technician	\$ 75
Clerical	\$ 60

The Consultant does not charge clients for travel or mileage (except direct costs related to field work/surveys), parking, standard telephone/fax expenses, general postage, or incidental copies. However, we do charge for messenger services, overnight shipping/express mail costs and teleconferencing services. We also charge for copies of reports, documents, notices, and support material more than five (5) copies. These costs are charged back at the actual expense plus a 10% surcharge.

EXHIBIT B-1

Scope of Services West and Southwest Region MSRs and SOI Updates Orange County LAFCO (March 2022)										
	Principal \$	235	Director \$	235	Sr. Analyst \$	135	Res. Asst. \$	110	Total Hrs	Total Not to Exceed
Task 1 Project Initiation		8	26	24	40	98	\$	15,630		
<i>Identify and discuss past determinations, SOIs, changes to DUCs, concerns, and issues with LAFCO staff and affected agencies</i>										
Task 1.1	Kickoff: review agencies, past determinations, issues, & schedules	6	10	14	40	70			10,050	
Task 1.2	Obtain boundary, SOI and DUCs maps for each agency from LAFCO	-	-	10	-	10			1,350	
Task 1.3	Obtain and review pertinent stakeholder notes and survey templates	2	16	-	-	18			4,230	
Task 1.4	Initiate contact with agencies (see Task 2.2)	-	-	-	-	-			-	
Task 2 Data Collection		14	172	194	90	469	\$	79,615		
<i>Prepare survey using LAFCO template, conduct 1-2 interviews per stakeholder to discuss responses and feedback, check accuracy of information provided</i>										
Task 2.1	Collect third party data (fiscal indicators, demographics, etc)	2	10	25	70	107			13,895	
Task 2.2	Issue agency survey, followup to ensure timely completion	-	8	15	-	23			3,905	
Task 2.3	Coordinate, prep, and conduct agency interviews (1-2 each, as needed)	-	88	88	20	195			34,575	
Task 2.4	Review survey and interview results, analyze data, and draft findings	10	50	50	-	110			20,850	
Task 2.5	Discuss preliminary findings with client	2	8	8	-	18			3,430	
Task 2.6	Revise findings and recommendations	-	8	8	-	16			2,960	
Task 3 Administrative Draft MSR		10	68	398	63	539	\$	78,990		
<i>Draft 2 MSRs (one for each region) for client internal review and comment</i>										
Task 2.1	Prepare screencheck draft MSR	8	50	375	50	483			69,755	
Task 2.2	Present draft to client, collect feedback and comments	2	8	8	8	26			4,310	
Task 2.3	Finalize report after client review	-	10	15	5	30			4,925	
Task 4 Public Hearing Draft MSR		10	26	70	2	108	\$	18,130		
<i>Prepare public review draft MSRs, collect feedback from agencies, revise as necessary and as directed by LAFCO for public hearing drafts, present at public hearing</i>										
Task 4.1	Circulate draft MSRs to agencies (via LAFCO), collect feedback	-	20	50	-	70			11,450	
Task 4.2	Finalize public hearing draft MSRs, prepare public hearing presentation	-	6	16	2	24			3,790	
Task 4.3	Present MSRs at Commission public hearing (1 meeting for both)	10	-	4	-	14			2,890	
Task 5 Final MSRs		14	5	19	5	43	\$	7,580		
<i>If not adopted at public hearing, prepare final MSRs based on input from each public hearing; present to Commission for approval</i>										
Task 5.1	Make revisions to public hearing draft MSRs as warranted	-	5	5	5	15			2,400	
Task 5.2	Circulate to client for final approval, revision, and completion	8	-	10	-	18			3,230	
Task 5.3	Attend Commission meeting for final approval (if not adopted at hearing)	6	-	4	-	10			1,950	
GRAND TOTAL BUDGET		56	297	705	200	1,257	\$	199,945		

EXHIBIT “C”

INSURANCE REQUIREMENTS

1. Commercial General Liability

- a. The Consultant shall take out and maintain, during the performance of all work under this Agreement, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to OC LAFCO.
- b. Coverage for Commercial General Liability insurance shall be at least as broad as the following: ISO Commercial General Liability coverage (Occurrence Form CG 0001)
- c. Commercial General Liability Insurance must include coverage for the following:
 - i. Bodily Injury and Property Damage
 - ii. Personal Injury/Advertising Injury
 - iii. Premises/Operations Liability
- d. All such policies shall give OC LAFCO, its Board, members of the Board, employees, and authorized volunteers insured status using ISO endorsement CG2010, CG2033, or equivalent.
- e. The general liability program may utilize either deductibles or provide coverage excess of a self-insured retention, subject to written approval by OC LAFCO.

2. Automobile Liability

- a. At all times during the performance of the work under this Agreement the Consultant shall maintain Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to OC LAFCO.
- b. Coverage for Automobile Liability Insurance shall be at least as broad as: ISO Form Number CA 0001 covering automobile liability (Coverage Symbol 1, any auto).
- c. The automobile liability program may utilize deductibles, but not a self-insured retention, subject to written approval by OC LAFCO.

3. Workers' Compensation/Employer's Liability

- a. Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions

of that code, and he/she will comply with such provisions before commencing work under this Agreement.

- b. Consultant shall maintain full compensation insurance for all persons employed directly by him/her to carry out the work contemplated under this Agreement, all in accordance with the "Workers' Compensation and Insurance Act," Division IV of the Labor Code of the State of California and any acts amendatory thereof, and Employer's Liability Coverage in amounts indicated herein. Consultant shall require all subconsultants to obtain and maintain, for the period covered by the work under this Agreement, workers' compensation of the same type and limits as specified in this section.
- c. Such insurance shall include an insurer's Waiver of Subrogation in favor of OC LAFCO and will be in a form and with insurance companies acceptable to OC LAFCO.

4. Minimum Policy Limits Required

- a. The following insurance limits are required for the Agreement:

	Combined Single Limit
Commercial General Liability	\$1,000,000 per occurrence/\$2,000,000 aggregate for bodily injury, personal injury and property damage
Automobile Liability	\$1,000,000 per occurrence for bodily injury and property damage
Employer's Liability/ Workers' Compensation	\$1,000,000 per occurrence/ Statutory

5. Evidence Required

- a. Prior to execution of the Agreement, the Consultant shall file with OC LAFCO evidence of insurance from an insurer or insurers certifying to the coverage of all insurance required herein. Such evidence shall include original copies of the ISO CG 2010 (or insurer's equivalent) signed by the insurer's representative and Certificate of Insurance (ACORD Form 25-S or equivalent). All evidence of insurance shall be signed by a properly authorized officer, agent or qualified representative of the insurer and shall certify the names of the insured, any additional insureds, where appropriate, the type and amount of the insurance, the location and operations to which the insurance applies, and the expiration date of such insurance.

6. Required Policy Provisions

- a. Certificates of insurance and policy endorsements shall require 30 days (10 days for non-payment of premium) notice of cancellation to OC LAFCO. Statements that the carrier “will endeavor” and “that failure to mail such notice shall impose no obligation and liability upon the company, its agents or representatives,” will not be acceptable on certificates. If any of the required coverage expires during the term of this Agreement, the Contractor shall deliver renewal certificate(s) including the General Liability Additional Insured Endorsement to OC LAFCO at least ten (10) days prior to the expiration date.
- b. The Commercial General Liability policy shall contain a provision stating that Consultant's policy is primary insurance and that any insurance, self-insurance or other coverage maintained by OC LAFCO or any named insureds shall not be called upon to contribute to any loss.
- c. The retroactive date (if any) of each policy is to be no later than the effective date of this Agreement. Consultant shall maintain such coverage continuously for a period of at least three (3) years after the completion of the work under this Agreement. Consultant shall purchase a one (1) year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.

7. Qualifying Insurers

- a. All policies required shall be issued by acceptable insurance companies, as determined by OC LAFCO, which satisfy the following minimum requirements:
- b. Insurance carriers shall have a current AM Best rating of not less than “A-” policyholder's rating and a financial rating of not less than “Class VII,” unless otherwise approved in advance by OC LAFCO.

8. Additional Insurance Provisions

- a. The foregoing requirements as to the types and limits of insurance coverage to be maintained by Consultant, and any approval of said insurance by OC LAFCO, is not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by the Consultant pursuant to this Agreement, including but not limited to, the provisions concerning indemnification.
- b. If at any time during the life of the Agreement, the Consultant fails to maintain in full force any insurance required by the Agreement documents OC LAFCO may terminate the Agreement.

- c. The Consultant shall include all subconsultants as insureds under its policies or shall furnish separate certificates and endorsements for each subconsultant. All coverages for subconsultants shall be subject to all of the requirements stated herein.
- d. OC LAFCO may require the Consultant to provide complete copies of all insurance policies in effect for the duration of the Project.
- e. Neither OC LAFCO, its Board, members of the Board, employees, or authorized volunteers shall be personally responsible for any liability arising under or by virtue of the Agreement.

8b | Commission
Discussion

May 11, 2022

TO: Local Agency Formation Commission
of Orange County**FROM:** OC LAFCO Ad Hoc Committee**SUBJECT:** Selection Process and Appointment of OC LAFCO Regular
Public Member

In accordance with State law, the term for the OC LAFCO Regular Public Member is four years. Additionally, the Commission's "Guidelines for the Appointment of OC LAFCO's Regular and Alternate Public Members and Commissioners' Terms of Office" establish the appointment process for the public member expiring terms and vacancies.

This report provides a summary of the process for the Regular Public Member term that expires on June 30, 2022, and a recommendation from the Ad Hoc Committee for the reappointment of the current incumbent, Commissioner Derek J. McGregor.

Appointment Process for Regular Public Member Seat

In accordance with Commission policy and State law, the announcement of the application period for the Regular Public Member seat was published in the Orange County Register, distributed to the County, City Clerks, Clerks of the Special Districts, and Orange County Business Council, and posted on the agency's website. The 30-day application period began on March 7, 2022 and closed on April 7, 2022, with the Commission receiving one application from the incumbent regular public member, Derek J. McGregor (see attached).

Subsequent to the closing of the application period, and in accordance with local policy, the Ad Hoc Committee comprised of Chair Davert, Vice Chair Wagner, and Commissioner Wendy Bucknum reviewed the candidate's application materials and unanimously selected Mr. McGregor for consideration by the Commission to continue serving as the Regular Public Member. Commissioner McGregor has been notified of the Committee's recommendation and will be available at the May 11 Regular Meeting to address any questions of the Commission.

If the Commission approves the Ad Hoc Committee's recommendation, Mr. McGregor will receive the oath for the new term (July 1, 2022 – June 30, 2026) at the July 13 Commission meeting.

REGULAR MEMBERS**CHAIR**
Douglass Davert
Special District Member**VICE CHAIR**
Donald P. Wagner
County Member**IMMEDIATE PAST CHAIR**
Derek J. McGregor
Public Member**Lisa Bartlett**
County Member**Wendy Bucknum**
City Member**James Fisler**
Special District Member**Mike Posey**
City Member**ALTERNATES****Andrew Do**
County Member**Kathryn Freshley**
Special District Member**Peggy Huang**
City Member**Lou Penrose**
Public Member**STAFF****Carolyn Emery**
Executive Officer**Scott Smith**
General Counsel

RECOMMENDED ACTION:

The Ad hoc Committee recommends that the Commission:

1. Reappoint Derek J. McGregor to the Regular Public Member seat for the term to commence July 1, 2022.

Respectfully submitted,



Douglass Davert, Chair

Attachment: Regular Public Member Application for Derek J. McGregor

Statement of Qualifications for:

*Derek J.
McGregor
Resident of Trabuco Canyon*

CANDIDATE FOR THE POSITION OF:

REGULAR PUBLIC MEMBER
OF OC LAFCO



DMc Engineering
Civil • Surveying • Planning • Construction

April 7, 2022

Douglas Davert
Chair
OC LAFCO
2677 North Main Street, Suite 1050
Santa Ana, CA 92705

SUBJECT: Letter of Interest for Serving on Orange County LAFCO

Dear Mr. Davert:

I am writing this letter to express my interest in continuing to serve Orange County LAFCO. I am currently serving my 6th year as the Public Member for the Orange County LAFCO. For the past 11 years, I have dedicated time and energy to represent the Commission on many unique and complex issues. Additionally, I have recently been selected to serve as board member for the Southern Region and State CALAFCO.

Prior to the Public Member Position, I served in the capacity of Alternate Public Member for the Commission for (5) years. During my collective LAFCO service my experience and knowledge of OC LAFCO, CALAFCO, and the CKH Act has expanded my abilities to contribute to many decisions made by the Commission. My growing historical knowledge of past Commission activity lends itself to providing sound input and commitment to the Commission and would continue to do so. I have had the privilege of serving 3 years as chair along with 5 years of participation on the executive committee. Additionally, I served on 2 expert speaking panels at the LAFCO Annual Conference; I have attended all conferences since being elected on the Commission. My commission meeting attendance since my original selection has been 100%. I also served on numerous committees with OC LAFCO. My recent selection to CALAFCO emphasizes my commitment to represent OC LAFCO in the highest of standards. My personal role and involvement in South County issues has facilitated the Commission on a number of issues, which are ongoing. My commitment and quality of service is reinforced by the attached letters of recommendation from a number of Orange County agencies.

On a Separate note, I have been a committed and dedicated volunteer for a wide range of community organizations and causes throughout Orange County. As a licensed civil engineer and land surveyor, I am knowledgeable and experienced in land transactions relative to boundaries and economic feasibility. I am also experienced and knowledgeable in zoning and general plan regulations. I have performed feasibility studies and assessments for land developments and have 42 years of experience in preparation and evaluation of public works projects. Most importantly, as this Commission knows, I am passionate in every task I undertake and will continue to commit the time and resources to fulfill my responsibilities to the position if re-selected.

Sincerely,

Derek J. McGregor, PE, PLS, QSD, QSP

Local Agency Formation Commission of Orange County (OC LAFCO)

2677 North Main Street, Suite 1050, Santa Ana, CA 92705

(714) 640-5100

FAX: (714) 640-5139

**APPLICATION FOR
REGULAR PUBLIC MEMBER**Name: Derek J. McGregorResidence Address: [REDACTED]Residence Telephone Number: [REDACTED]E-Mail Address: derekjmc@pacbell.netEmployer: Owner, Engineering FirmBusiness Address: 18 Technology Drive #100 Irvine, CA 92618Business Telephone Number and Fax Number: 949-753-9393

=====

Briefly describe your experience in local government and/or with local community organizations: Recent selection to CALAFCO board, 6-Year Regular Public Member Orange County LAFCO (3-years as Chair), 5-Years Alternate Public Member Orange County LAFCO, 10-Year Member of Orange County Transportation Authority (OCTA) Citizens Advisory Committee (CAC) (Past Chair) 6 years, Public Member of OCTA Environmental Oversight Committee (EOC), Past member of OCTA Citizens Oversight Committee (COC), 28-Year Board Member (6-Year President) THCA Community Association: 831 Members, 15-Year Chair and founder of Community Associations of Rancho (CAR) Santa Margarita, 14-Year Board Member (5-Year President) SAMLARC Association: 33,000 Members, Vice Chair City of Rancho Santa Margarita (RSM) Tree Board.

Briefly describe your employment experience: Owner of DMc Engineering, which is a Civil Engineering, Land Surveying, and Construction Management Firm established in 1987, Licensed Civil Engineer (State of California, Nevada, and New Mexico), Licensed Land Surveyor (State of California and Nevada)

Briefly describe your educational background: Bachelor of Science Degree in Civil Engineering from Southern Illinois University (1978), Associate in Applied Science Degree, Construction Technology from Lincoln Land College (1976)

Please attach your letter of interest to this application explaining why you are interested in serving on the Commission (OC LAFCO) and how your background and experience would be of benefit to the Commission and the community. **Please do not exceed one page.**

Signed:  Dated: 4/7/2022

The application and letter of interest must be received no later than **3:00 p.m. on Thursday, April 7, 2022.**

In accordance with LAFCO policy, no applicant for the OC LAFCO regular public member or alternate public member shall be an officer or employee of the County or any city or special district with territory in Orange County.

**CITY OF RANCHO SANTA MARGARITA**

22112 El Paseo • Rancho Santa Margarita • California 92688-2824
949.635.1800 • fax 949.635.1840 • www.cityofrsm.org

March 22, 2022

Mr. Douglass Davert, Chair
Orange LAFCO
2677 N Main St Suite 1050
Santa Ana, CA 92705

Re: Support for Re-appointment of Derek McGregor to Orange LAFCO

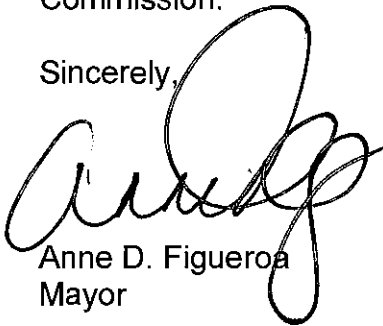
Dear Chair Davert,

As Mayor of the City of Rancho Santa Margarita, I welcome the opportunity to provide this letter of support on behalf of the City and its residents for the re-appointment of Derek McGregor, Regular Public Member, to the Local Agency Formation Commission of Orange County.

Mr. McGregor's dedication to good governance and extensive professional experience make him a valued member of our community. For years, he has demonstrated leadership with the many homeowner's associations in Rancho Santa Margarita and the county. As a result, he is highly qualified to represent the public in Orange LAFCO's mission to deliver effective and efficient public services to the residents of Orange County.

Again, I heartily support another term appointment for Derek McGregor to the Commission.

Sincerely,



Anne D. Figueroa
Mayor

Mayor
Anne D. Figueroa

Mayor Pro Tempore
Jerry Holloway

Council Member
L. Anthony Beall

Council Member
Carol A. Gamble

Council Member
Bradley J. McGirr

City Manager
Jennifer M. Cervantez



March 30, 2022

Douglass Davert
Chair
Special District Member
Orange County Local Agency Formation Commission
2677 North Main Street, Suite 1050
Santa Ana, California 92705

RE: Support for the Reappointment of Derek McGregor as the OC LAFCO Public Member

Doug:

On behalf of the Irvine Ranch Water District (IRWD), I am writing to encourage the Orange County Local Agency Formation Commission (OC LAFCO) to reappoint Derek McGregor to the Public Member seat on the Commission. During his 13-year tenure as the OC LAFCO Public Member, he has continually exercised independent judgment and represented the interests of the public well in the matters that have come before the Commission.

As a registered civil engineer and land surveyor, Derek's professional background and community understanding have benefited OC LAFCO, as his four decades of experience in the public and private sectors, engineering, mapping, surveying and construction have added to the Commission's discussions, evaluations and decisions. Additionally, Derek has been an active and engaged member of the Orange County community serving on numerous local and regional boards and organizations.

Moreover, Derek's knowledge of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and his willingness to fully investigate and engage on issues before the Commission have greatly furthered the purposes of the Commission.

IRWD regularly has had business before the Commission during Derek's term of LAFCO service. We have appreciated his thoughtful and dedicated approach. For these reasons, IRWD strongly supports Derek McGregor's reappointment to the Public Member seat and believe that he will continue to be a tremendous asset to OC LAFCO, if reappointed.

Douglass Davert
Chair
Special District Member
Orange County Local Agency Formation Commission
March 30, 2022
Page 2 of 2

Please do not hesitate to contact us at (949) 453-5590 if you have any questions about our support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul A. Cook", written over a horizontal line.

Paul A. Cook
General Manager

A handwritten signature in blue ink, appearing to read "Steven E. LaMar", written over a horizontal line.

Steven LaMar
Board President

April 5, 2022

Via Email

The Honorable Doug Davert
Chairman
Orange County Local Agency Formation Commission
2677 North Main Street, Suite 1050
Santa Ana, CA 92705

Re: SUPPORT for the reappointment of Public Member Derek J. McGregor

Dear Chairman Davert:

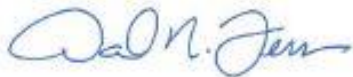
On behalf of the Santa Margarita Water District ("District"), I am writing to express our support for the reappointment of Public Member Derek J. McGregor to the Orange County Local Agency Formation Commission ("OCLAFCO") for another term. Commissioner McGregor has done an excellent job during his tenure on the commission and that he will continue to be a strong representative for the interests not only of the public at-large, but local water and other public service agencies.

We have seen Mr. McGregor's engagement in important issues that affect local water districts and other service providers. It has been our experience that he has actively sought input on all the issues and initiatives coming before the commission and that he listens carefully to all viewpoints. He has shown himself to be well versed in agency policy as well as the needs of the county. We look forward to continuing to work with him.

We request your support and that of your colleagues on the reappointment of Mr. McGregor. Thank you for your courtesy and consideration of our position.

Sincerely,

SANTA MARGARITA WATER DISTRICT

A handwritten signature in blue ink, appearing to read "Dan. Feron", is positioned above the typed name of the sender.

Daniel R. Feron
General Manager

April 06, 2022

Mr. Douglass Davert, Chair
Orange County Local Agency Formation Commission
2677 North Main Street, Suite 1050
Santa Ana, CA 92705

Re: Re-Appointment of Derek J. McGregor as OC LAFCO Regular Public Member

Dear Chair Davert:

On behalf of the Board of Directors of the Trabuco Canyon Water District (TCWD), I am writing to express our support for the re-appointment of Derek J. McGregor as the Regular Public Member on the Orange County Local Agency Formation Commission (Commission) for a four-year term beginning July 1, 2022.

Mr. McGregor is well-known and respected throughout Orange County and has represented the public on the Commission in an objective and transparent manner for the past 11 years. As a practicing Civil Engineer and Land Surveyor, he also brings a unique technical perspective to the Commission.

His depth of experience has also contributed to his recent selection as a Public Member representative on the California Association of Local Agency Formation Commissions. If re-appointed on the Commission, Mr. McGregor can continue to ensure that Orange County is well represented in Sacramento on LAFCO-related issues of statewide importance.

TCWD appreciates the leadership demonstrated by the Commission and urges the re-appointment of Derek J. McGregor for another term as Regular Public Member.

Sincerely,

A handwritten signature in blue ink, appearing to read "Don Chadd", with a stylized flourish at the end.

Don Chadd, President
TCWD Board of Directors



April 5, 2022

Douglass Davert
Chair
Special District member
Orange County Local Agency Formation Commission
2677 North Main Street, Suite 1050
Santa Ana, CA 92705

RE: Support for the Reappointment of Derek McGregor as the OC LAFCO Public Member

Mr. Davert:

On behalf of Rancho Mission Viejo, I am writing to encourage the Orange County Local Agency Formation Commission (OC LAFCO) to reappoint Derek McGregor to the Public Member seat on the Commission. During his 13-year tenure as the OC LAFCO Public Member, he has continually exercised independent judgment and represented the interests of the public well in the matters that have come before the Commission.

As a registered civil engineer and land surveyor, Derek's professional background and community understanding have benefited OC LAFCO, as his four decades of experience in the public and private sectors, engineering, mapping, surveying and construction have added to the Commission's discussions, evaluations and decisions. Additionally, Derek has been an active and engaged member of the Orange County community serving on numerous local and regional boards and organizations.

Rancho Mission Viejo has appreciated his thoughtful and dedicated approach on the Commission. For these reasons, Rancho Mission Viejo strongly supports Derek McGregor's reappointment to the Public Member seat and believe that he will continue to be a tremendous asset to OC LAFCO, if reappointed.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael Balsamo".

Michael Balsamo
SVP, Government Affairs

Len Malena
21852 Las Nubes Dr.
Trabuco Canyon, CA 92679
949-521-1358

Douglas Davert
OC LAFCO
2677 North Main Street, Ste 1050
Santa Ana, CA 92705

Mr. Davert;

I wanted to let you know that myself and many other members of our Rancho Cielo HOA and surrounding community, highly recommend that Derek McGregor be reappointed as the Public Member for Orange County LAFCO.

Mr. McGregor has professionally and openly represented the public objectively on county wide issues. He is well respected and connected throughout Orange County. His recent selection to CALAFCO will ensure Orange County is properly represented at the state level where we need it.

Thank you,

Len Malena

President-Rancho Cielo HOA

We support the commissions re-selection of Derek J. McGregor as the Public Member for the Orange County LAFCO. Mr. McGregor has been a committed participating member of the commission for 11 years. He has professionally and openly represented the public objectively on countywide issues. He is well respected and connected throughout Orange County. His recent selection to CALAFCO will ensure Orange County is properly represented at the state level where we need it.

As a member of our Community Group CAR; (Community Associations of Rancho Santa Margarita) for the last 14 years, I have been extremely pleased by Derek's leadership, care for our City and Associations and his foresight to anticipate the challenges so we can address well before they become problematic.

I highly endorse Derek for this very important position.

A handwritten signature in blue ink, appearing to read 'Gus F. Alba', with a stylized, flowing script.

Gus F. Alba- President

Robinson Ranch Community Association
