



Irvine and
Greater Orange
County

Greetings from OC LAFCO

Welcome to the Spring Edition of The Pulse, where Orange County agencies and other interested parties may learn about the Commission's latest activities and projects. This edition reflects on the activities of OC LAFCO for the first half of the 2022-2023 fiscal cycle, introduces new members of the Commission and staff, and includes an added feature – “local agency spotlights” – to the agency's publication.



Welcoming Commissioners And Staff

The Commission began 2023 with changes and additions to the board and staff. In March, **Commissioner Andrew Do** was seated as the Regular County Member, and **Commissioner Katrina Foley** returned to the Commission as the Alternate County Member. Commissioner Do is County Supervisor of First District, which includes the cities of Cypress, Fountain Valley, a portion of Garden Grove, Huntington

Beach, La Palma, Los Alamitos, Seal Beach, Westminster, and the unincorporated areas of Midway City, Rossmore and the Bolsa Chica wetlands. Commissioner Foley is County Supervisor of Fifth District, which includes the cities of Aliso Viejo, Costa Mesa, Dana Point, a large portion of Irvine, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Newport Beach, San Clemente, San Juan Capistrano, and the unincorporated areas of



SPRING EDITION



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COMMISSIONERS

STAFF



Commissioner Do



Commissioner Foley



Commissioner Moore



Amanda Castro

Coto de Caza, Emerald Bay, Ladera Ranch, Las Flores, Stonecliffe, Wagon Wheel and Rancho Mission Viejo. OC LAFCO also welcomed Commissioner Carol Moore as the Alternate City Member. Commissioner Moore is a council member and former Mayor of the City of Laguna Woods and was appointed by the City Selection Committee this past March.

The new year also brought an additional staff member, Amanda Castro, to the OC LAFCO team. As a Policy Analyst, Amanda will manage key projects including city, district, and small island annexations, MSR, fiscal indicators and shared services web-based programs, legislative affairs, and external engagement and communication. She brings years of LAFCO knowledge and

government experience to the team, including tenure with Fresno LAFCO and the United States Census Bureau. Amanda has begun engaging our local agencies by participating in agency tours and attending regional meetings. Be sure to introduce your agency directly to Amanda at our next Commission meeting or by contacting her at the OC LAFCO office.



Looking Back To Spring Forward

Over the past several months, the Commission has approved changes in jurisdictional boundaries, conducted multiple MSR and continued to refine OC LAFCO's key resources and tools, including the agency's website, fiscal trends web-based program and the municipal services dashboard. Below are highlights of the many accomplishments of the Commission to-date for the current fiscal year and the projects and activities that will continue on through June and beyond.

Unincorporated Islands Program

Seeking to create more logical boundaries and enhance the delivery of municipal services remain the drivers for the annexation of County unincorporated islands. This long-standing effort of OC LAFCO continued this year by engaging cities with high interest in annexing adjacent islands. Recent discussions have occurred with

staff from the cities of Fountain Valley and Westminster, which, respectively, have one and four remaining adjacent unincorporated areas. Future community workshops to inform residents of the North Fountain Valley island on the potential benefits of joining the City are expected to occur this Spring, and Westminster is

currently exploring the feasibility of annexation and other research on islands surrounded by the City's boundary. If these areas are successfully annexed, the current total of 25 County unincorporated areas would decrease to 20.

You can find out more about all of Orange County's unincorporated islands by visiting the OC LAFCO

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website and selecting the Unincorporated Areas resource page. Success of the Unincorporated Islands Program is also highlighted in a later section of this edition through an agency spotlight on the pre and post-annexation events of the Hamer Island annexation to the City of Placentia.

Municipal Service Reviews (MSRs)

Over the past year, OC LAFCO continued moving the needle on preparing fourth-cycle MSRs and sphere reviews for cities, special districts, and joint power authorities that are delivering municipal services in Orange County. You can find the MSR schedule for the current cycle by visiting the MSR webpage on the OC LAFCO website. The schedule is reviewed and updated periodically, as needed, so be sure to check in on the schedule regularly. Below is an update on MSRs currently underway.

Orange County Water District (OCWD) MSR

One of the MSRs underway for affected agencies is the OCWD MSR. The District’s MSR will include the mandatory five-year cycle review of OCWD’s services and operations and a feasibility assessment of the potential consolidation of OCWD and the Municipal Water District of Orange County (MWDOC). The latter was added to the District’s MSR review through an application filed by OCWD. An initial step in the process was completed when the Commission approved agreements with consultants, Webb Associates and John J. Schatz, to conduct and prepare the components of the scope of work for the MSR. Key components of the scope include a review of OCWD’s sustainability relevant to the current management of the groundwater basin, fiscal analysis involving potential consolidation, and identification of legal impediments and requirements for potential consolidation. Another pertinent part of the MSR process includes the engagement of the affected agencies, which will be notified following the kickoff process that will begin in June 2023.

Southwest and West Reviews

As we head into Spring, the release of Public Review Drafts for the Southwest and West MSRs is within sight. In consultation with Commission staff, RSG, a firm hired by OC LAFCO to prepare the MSRs, has engaged agencies within these regions to assess the municipal services they respectively deliver. Some highlights expected in the reports include discussions on public safety costs, adequacy of water and wastewater infrastructures, and shared services arrangements benefiting the two regions. Additionally, fiscal expert, Richard Berkson of Berkson Associates, developed fiscal indicators for the MSRs through data sources collected and feedback from each agency.

The next critical milestone of the process will be to engage the agencies in a final review of the reports before releasing the drafts in late May for a 30-day public review period. The Final Draft MSR is expected to be considered by the Commission in early Summer. The Southwest and West regions include the following agencies:

Southwest MSR Region		West MSR Region	
CITIES	SPECIAL DISTRICTS/JPA	CITIES	SPECIAL DISTRICTS/JPA
Aliso Viejo	El Toro Water District	Buena Park	Garden grove Sanitary District
Dana Point	Laguna Beach County Water District	Cypress	Midway City Sanitary District
Laguna Beach	Moulton Niguel Water District	Fountain Valley	Buena Park Library District
Laguna Hills	South Coast Water District	Garden Grove	Cypress Recreation and Park District
Laguna Woods	Emerald Bay Community Services District Three Arch Bay Community Services District South Orange County Wastewater Authority	La Palma	
		Stanton	
		Westminster	

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Next Up for MSRs

The conducting of two additional MSRs – Orange County Mosquito and Vector Control District (OCMVCD) and Central Region – is expected to begin in late summer and continue through the next fiscal year. OCMVCD provides mosquito abatement and vector control services countywide, and the Central Region encompasses six cities and four special districts: Anaheim, Irvine, Orange, Santa Ana, Tustin, Villa Park; and East Orange County Water District, Irvine Ranch Water District, Serrano Water District, and Silverado-Modjeska Parks and Recreation District. Is your agency listed here? If so, you will be contacted in advance of the MSR process beginning. Prior to that, you may reacquaint yourself with your agency's previous MSRs by visiting the MSR webpage on the OC LAFCO website.

From Race to Crawl for Routine OC LAFCO Applications

This year's field looks different for applications filed involving boundary changes, MSRs, or other changes of organization. We ended the prior fiscal year with eight applications filed to where we are today with three applications currently underway or pending. Filed applications include a city annexation, an MSR, and a request to exercise and extend a new service. The city annexation will be considered by the Commission in May, and the OCWD MSR process is underway and expected to be completed in 2024. The timeline for the application to extend a new service filed by the Capistrano Bay Community Services District is unknown at this time as the District is performing its due diligence in gathering the pertinent information relative to its path forward on this effort.



Legislative Affairs

Through the Commission's local guidelines on the agency's effort in legislative affairs, OC LAFCO staff monitors legislation of LAFCO interest through participation on the California Association of LAFCOs Legislative Committee. This Spring, the OC LAFCO Legislative Ad Hoc Committee, comprised of Commissioners Bucknum, McGregor and Wagner will convene to further enhance the Commission's effort in this area by expanding the guidelines to incorporate general procedures for engaging external stakeholder groups to include the California Special Districts Association, California State Association of Counties, League of California Cities, and Orange County Division of the League of California Cities.

In addition to proactive monitoring of legislation, a component of the Commission's legislative engagement is external outreach. Bi-yearly, Commission staff introduces OC LAFCO to Orange County's continuing and new Senators and Assembly members and provides an overview of the Commission's current activities and media kit. Each legislator is also invited to participate in a meeting with staff to hear about the happenings of OC LAFCO occurring across the County and to ask any questions.

If members of your city council, district board, or staff are interested in learning more about OC LAFCO or would like to receive the agency's media kit, you may contact the OC LAFCO office.



Old Orange County Courthouse in Santa Ana, CA

Staying Connected

To carry forward OC LAFCO's local mission to serve the agencies and residents of Orange County, the Commission proactively stays connected to the communities through its participation in regional activities and events. Highlighted below are the regional organizations and associations that the Commission engages through its participation as a member or contributing partner:

- California Association of Local Agency Formation Commission (CALAFCO)
- Center for Demographic Research (CDR)
- Orange County Council of Governments (OCCOG)
- Orange County Business Council (OCBC)
- Committees Economic Development, Government Affairs, Housing, Infrastructure, and Workforce.

OC LAFCO also stays connected to local issues through staff's participation through attending general meetings and events organized by Orange County's cities, special districts and other associations and organizations.



Agency Spotlights

City of Placentia

On a rainy Tuesday afternoon, Executive Officer Carolyn Emery chatted with City Administrator, **Damien Arrula**, about Placentia's recent experience with OC LAFCO that led to the successful annexation of a small unincorporated island commonly known as the "Hamer Island." Read on to learn more about Damien's experience with the Commission's statutory process and how the collaborative effort of the City, County and OC LAFCO has now become the model for annexing unincorporated islands.



Prior to going through the annexation process, how much experience did you have with LAFCO?

Arrula: Prior to the City annexing the Hamer unincorporated island, I did not have any experience with OC LAFCO. However, in a prior role with the City of Claremont, I did interact with Los Angeles LAFCO through a complex annexation process.

As a city that recently annexed an unincorporated island, why do you believe annexing these areas to adjacent cities is important?

Arrula: Prior to annexing Hamer Island, the City was already providing fire protection and emergency response services to island residents through an agreement with the County. Upon our analysis and research, it made sense for the City to extend other municipal services to an area surrounded by Placentia. The organic extension of these services by the City supports the delivery of quality services to residents more efficiently.

Specifically for Placentia, what efficiencies or enhanced services are the residents of the former Hamer Island now experiencing?

Arrula: An area where residents are experiencing enhanced services is public safety. With annexation, residents now receive faster response times for fire and emergency response services. Additionally, police services delivered by the City are provided through a sophisticated and advanced system that is fully staffed and has also resulted in faster response times for the former island residents. Other things that came with the annexation are the benefits of the City's parks and streets and roads initiatives and other services that include programs for seniors, the homeless, and an innovative fiber optic broadband project that will deliver incredibly fast internet services at the same or lower cost than they already pay today. The City takes great pride in efficiently delivering services that affect our residents' quality of life and allowing them to have a local voice.

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Joining cities after years of being a part of the County can be challenging for residents. How has the City assisted the former island residents with this transition?

Arrula: During the process and following annexation, we engaged residents through workshops and lots of correspondence from the City. Our staff and council listened to and continue to be responsive to their concerns. Because of this, the feedback from the community has been generally positive.

Now that you have experienced the process of successfully annexing an island for which past efforts were unsuccessful, what words of wisdom or guidance would you share with other cities considering annexation of a community?

Arrula: Do your homework and talk with other City Managers that have been through the process. Second, take time with and show the value of joining the city to future residents. Listening to their concerns and addressing relevant issues are important. Lastly, make sure you are being genuine and create a trust for future residents in what we do and how we serve [as public agencies].



Damien Arrula was appointed City Administrator in 2016. He has been with the City since 2014 and previously served as Assistant City Administrator. As City Administrator, one of his many accomplishments includes the establishment of the City's Fire and Life Safety department. Located in the northern portion of Orange County, the City of Placentia was incorporated in 1926 as a charter city governed by a five-member city council elected by district. The City is home to 51,300 residents of Orange County and encompasses a variety of residential, commercial, industrial, recreational, and transit-oriented land uses.

Rossmoor Community Services District (RCSD)

On a different day, but absent the rain, Senior Analyst Gavin Centeno caught up with RCSD's General Manager, **Joe Mendoza**. Joe's day was filled with District activities, but Gavin was able to catch up with him to learn more about his management of the District's services and the community of Rossmoor.

What have you heard from Rossmoor residents involving the distinguishing characteristics of residing in an unincorporated community?

Mendoza: Overall, the comments and experiences shared are positive. The residents feel a sense of community and enjoy living in an unincorporated area. They've expressed that they are pleased with the select services provided by the Rossmoor Community Services District. However, the residents also feel that there are opportunities to enhance other services provided by the County. The District, alongside the community, continues to engage the County staff and elected officials on key areas that the residents feel are important for Rossmoor.

As a public agency providing services and locally representing Rossmoor residents, what would you say those key areas of interest for the community are today?

Mendoza: The District recently sent out a survey a few months ago to get feedback from residents on both amenities and programs for the community.



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Anaheim
Convention Center,
Anaheim, CA

➤ AGENCY SPOTLIGHTS: ROSSMOOR COMMUNITY SERVICES DISTRICT (RCSD)

We received an overwhelming response from residents indicating a high interest in senior services, public safety, and traffic congestion occurring in Rossmoor.

What do you believe are the benefits of having the RCSD to represent and serve the Rossmoor community?

Mendoza: I believe there are many benefits for the Rossmoor residents to be represented by a locally-elected legislative body. The District operates and provides quality-of-life services to residents in a cost-effective manner and represents independence and local control.

Your district is scheduled to begin participation in the OC LAFCO Municipal Service Review (MSR) process late next year. What areas are you looking forward to OC LAFCO highlighting in the MSR report involving the District and the community?

Joe Mendoza was appointed General Manager of RCSD in 2019. As General Manager, he has enhanced programs and increased engagement with the Rossmoor Community by proactively encouraging residents' involvement in the activities of the District. With its headquarters located in the center of the Rossmoor community, RCSD serves a population of approximately 10,000 residents, with a service area of 1.54 square miles located in the northwestern portion of Orange County, adjacent to the cities of Los Alamitos and Seal Beach. Municipal services provided by the District include park and recreation services, street lighting, street sweeping, tree and landscape maintenance, and maintenance of the Rossmoor community wall and entry.

Mendoza: An added value to the MSR would be to highlight the need for more funding for unincorporated areas to support the provision of public safety.

What do you view as generally most challenging for public agencies now that we are through the pandemic?

Mendoza: I believe the challenges for public agencies are the hiring and retention of employees. Many public agencies like RCSD are experiencing competition from surrounding public agencies and private companies that include offering higher salaries. It's difficult for agencies with restrictive budgets to compete with higher salaries and other competitive opportunities.

For questions on this publication, you may contact the OC LAFCO office at **714.640.5100**.
We invite you to also visit our website at **oclafco.org**.