

2016 Meeting Schedule

At its September meeting, the Executive Committee established the quarterly membership meeting schedule for 2016. Meetings are generally scheduled on the fifth Thursday of the month; next year's schedule, however, includes a fourth Thursday meeting in January. The 2016 meeting schedule is:

- **January 28**
- **March 31**
- **June 30**
- **September 29**

The upcoming October 22nd meeting will be the last general membership meeting of 2015. The Executive Committee continues to meet the first Tuesday of the month, unless rescheduled due to a conflict with other meetings.

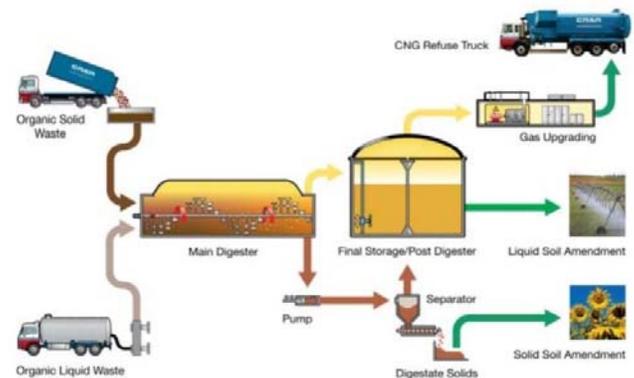
From Food to Fuel

According to the California Department of Resources Recycling and Recovery (CalRecycle), each year Californians throw away nearly six million tons of food scraps, about 1/3 of all garbage in landfills. In June, Costa Mesa Sanitary District (CMSD) became the first city in Southern California to offer its residents a food scrap recycling program.

Special 64-gallon organics carts were delivered to approximately 116,000 residents in June - August. Residents are asked to dispose of grass, leaves, flowers, weeds, fruit, vegetables, bread, meat, fish, dairy products, fats, oils, grease and pet waste (wrapped in a compostable bag or newspaper) in the organic carts. Kitchen pails to assist with collection efforts are available at the District headquarters.

The material from the organics containers is transported to CR&R's Anaerobic Digestion Facility in Perris, CA, where it is converted into fertilizer and renewable natural gas. The natural gas is used to fuel CR&R's trash collection trucks.

Biogas Flow Chart



By 2020, California law calls for the state to divert 75 percent of its garbage away from landfills – up from its current directive of 50 percent. Over the next five years, California will need to figure out how to recycle an additional 22 million tons of material annually, according to CalRecycle.

The CMSD program is voluntary, but its goal is to keep all organic waste out of the landfill. Officials believe that CMSD will be able to divert close to 75 percent of its solid waste away from landfills as a result of the addition of the organics recycling program to existing recycling efforts. In a recent CMSD District survey, 73 percent of Costa Mesa residents said they would be willing to pay the estimated \$1.72 extra per month that the “organics recycling” program will eventually cost, regardless of potential inconveniences.

ISDOC Wins 2015 CSDA Chapter of the Year Award

At its September annual conference, CSDA selected ISDOC as its chapter of the year. The award was based on the Chapter's effectiveness in outreach, involvement and creativity and the Chapter's ongoing commitment to continuing education. One of the items that distinguished ISDOC was its voting membership on the Orange County Council of Governments.

Spotlight District



The Santa Margarita Water District (SMWD) is Orange County's second-largest water district, providing water and wastewater to more than 155,000 residents and businesses in Mission Viejo, Rancho Santa Margarita, Coto de Caza, Las Flores, Ladera Ranch, and Talega. It was formed

in 1964 as a "landowner district" by a group of ranchers who wanted to create a reliable source of water for their cattle. As development occurred within SMWD's boundaries, it was reorganized as a registered voter California Water District.

Today, SMWD is focused on responding to the drought by an extensive communications outreach plan that includes TV, direct mail, street signs and even in-home meetings with customers. SMWD is working to make customers aware of the drought, the available tools and rebates and landscaping that will be both attractive and drought-tolerant. So far, the efforts have paid off. SMWD has been ahead of its state-mandated reduction goal since starting its programs in late May.

But SMWD has been working on water supply reliability and use efficiency long before this latest crisis. Like most of the water districts in south Orange County (and unlike water districts in north Orange County) SMWD has no groundwater. However, SMWD has developed water supplies and infrastructure that will protect and enhance local reliability. SMWD is focused on storing potable water for emergencies, storing recycled water for dry periods and the development of new sources of potable water to help meet future demands.

An iconic example of planning for the unexpected is the Upper Chiquita Reservoir. Completed in October 2011, the 244-million gallon facility is the largest domestic water reservoir built in south Orange County in over 45 years. It is designed to provide the region with substantial



reserves to meet customer demand during any disruptions of water deliveries. The reservoir was developed through a regional partnership between SMWD, Moulton Niguel Water District and the Cities of San Juan Capistrano, San Clemente, as well as the South Coast Water District.



SMWD's Upper Oso Recycled Water Reservoir, located just off the 241 Toll Road, is one of the largest recycled water reservoirs in the county and has

been in operation since 1979. The reservoir holds up to 1.3 billion gallons of recycled and runoff water used for outdoor irrigation. The use of this water helps SMWD conserve over a billion gallons of drinking water each year. The benefits of this asset will continue to increase as the cost of water purchased from MET rises.

The newest asset in SMWD's portfolio is the Cañada Gobernadora Multipurpose Basin located just south of the community of Coto de Caza, along the San Juan Creek. The basin is capturing and naturally treating urban runoff and storm flows, and using that water to help meet irrigation demands in Coto.



Right now, Santa Margarita is in the planning stages for the Trampas Reservoir, a \$53 million regional recycled water reservoir, to provide seasonal storage, which will allow SMWD to maximize the production of recycled water. At completion in 2017, it will have capacity for storage of recycled water from not only SMWD's Chiquita Water Treatment Plant but from other regional treatment plants and urban return flows as well.

Through innovative planning and regional cooperation, SMWD is ensuring water reliability for its customers and for South Orange County now and into the future. Its five-member Board meets the first Wednesday of the month at 7pm and the third Friday at 7:30am following the first Wednesday. Meetings are held at the District's main office, located at 26111 Antonio Parkway in Rancho Santa Margarita. SMWD has been awarded a Certificate of Transparency by the Special District Leadership Foundation.



LAFCO Responds to Recent Grand Jury Report

In June, the OC Grand Jury released its report, **Orange County Local Agency Formation Commission (LAFCO): It's Time to Redraw the Lines**. Among other comments, the report contained the following recommendation: *Orange County LAFCO should proceed to identify and prioritize special district consolidations and mergers, commence the necessary studies, and then initiate the appropriate petitions or proposals.*" LAFCO's recent response to the Grand Jury notes:

"Since 2002, OC LAFCO, as an independent agency, has conducted municipal service reviews (MSRs) of all agencies, including special districts, under its purview. MSRs are required to address seven (7) specific determinations (Government Code § 56430) including growth and population projections, location and characteristics of any disadvantaged communities, present and planned capacity of facilities and services, financial ability of the agencies to provide services, opportunities for shared facilities, accountability for community service needs including governmental structure and operational efficiencies, and any other matter related to effective or efficient service delivery. Over the years, OC LAFCO has used its stakeholder-driven MSR process to identify potential opportunities for consolidations, mergers, dissolutions and other changes of organizations. The Commission has commenced studies on governance structures, fiscal analyses, and formed a committee to prepare a white paper on governance restructuring. OC LAFCO has used the MSR process as a resource to the public to better understand the service and operational infrastructures of the County, cities, and special districts. The MSR process has led to numerous governance reorganizations of special districts (which have included consolidations, dissolutions and mergers) within the past 20 years."

"Over the next two years, OC LAFCO will once again embark on a planning effort to develop a program for the successful completion of the next cycle of MSRs (2018-2022) for the County's 34 cities and 35 dependent and independent special districts. As part of the 2015-2016 annual work plan, a "Scope of Work" for the MSR implementation plan will be developed. The scope will include the following tasks: Development of MSR guiding principles; Development of criteria to establish MSR focus boundaries; Prioritization of agencies and services to undergo MSR reviews; Integration of the Commission's existing programs (e.g., Fiscal Trends, Shared Services, Demographic Trends, Public Engagement, etc.); and

Development of MSR Implementation Plan, which will include a 5-year timeline for completion of MSRs."

"Even with the effective and resourceful tool of MSRs, OC LAFCO notes that consolidations, dissolutions, and mergers involve complex and expensive processes established by the government code. Related discussions should not be hurried or constrained by arbitrarily defined timelines. These processes require OC LAFCO staff and involved stakeholders to conduct detailed studies on the reorganization of any agency to Even with the effective and resourceful tool of MSRs, OC LAFCO notes that consolidations, dissolutions, and mergers involve complex and expensive processes established by the government code. Related discussions should not be hurried or constrained by arbitrarily defined timelines. These processes require OC LAFCO staff and involved stakeholders to conduct detailed studies on the reorganization of any agency to address impacts on the service levels and finances of the agencies being reorganized as well as the successor agencies. These studies must then go through a public hearing and review process by both the Commission and the public. This is a critical component as residents typically have strong emotional ties with their service providers and ultimately have the opportunity to protest and end any attempts at reorganization as part of the process. Equally important is the issue of successor agencies. Given the current fiscal climate, consolidations and mergers may not be the most feasible solution to governance restructuring. As an example, cities or other potential successor agencies may not have the financial resources to 'absorb' another agency's operations."

"Finally, the OC LAFCO MSR stakeholder process is the appropriate vehicle to discuss governmental structures within Orange County to effectively address the diverse service needs and desires of over three million residents."

LAFCO also stated in its response that during the last 20 years, it has approved 12 special district reorganizations, which have included consolidations, dissolutions and mergers. These actions are identified on page 4 of its September 9, 2015 response to the Grand Jury. The full Grand Jury Report and LAFCO's response is available on the LAFCO website <http://oclafco.org>

The recently proposed Amended and Restated ISDOC Bylaws were approved by the membership in July 2015. See the ISDOC website for a copy of the current bylaws.

Public Affairs Coordinators



Earlier this year, CSDA launched its new public affairs team with two public affairs coordinators - one each for Northern and Southern California - the long term goal is to hire coordinators for each of the six Networks.

Chris Palmer has been assigned to assist the Southern California Networks. For the last 13 years, Chris served as deputy district director for former Congressman John Campbell. In addition to his work in government, Chris has extensive marketing experience in the private sector. Chris is available to assist districts with CSDA issues, legislation review and meetings with local legislators. He can be reached at chrisp@csda.net.

Did You Know...

CSDA has six area Networks. Orange County is in the Southern Network, which consists of 276 independent special districts in Orange, Los Angeles, San Diego, San Bernardino, Riverside and Imperial Counties. Three members of the CSDA Board represent the Southern Network: Bill Nelson (Orange County Cemetery District), Arlene Schafer (Costa Mesa Sanitary District) and Jo MacKenzie (Vista Irrigation District).

At the CSDA annual conference, Bill Nelson was elected as the new CSDA President and Arlene Schafer as its Secretary. Jo MacKenzie was re-elected as President of the CSDA Finance Corporation and ISDOC Secretary Leslie Keane was elected as the Corporation's Vice President. Jo MacKenzie is also currently Treasurer of the Special District Leadership Foundation (SDLF); and ISDOC President Mike Scheafer is a Board member of the Special Districts Risk Management Association (SDRMA) and Vice President of the CSDA Alliance.

Future California Special Districts Events

Board Secretary/Clerk Conference
October 18 - 20, 2015, Lake Tahoe Resort Hotel

Upcoming Webinars

- Best Practices - Managing Special District Investments, November 10th
- Harassment Prevention Training, November 17th
- Required Ethics Compliance Training, November 18th

Legislation Update

AB 2 - passed by legislature, signed and chaptered. Would authorize certain local agencies to form a community revitalization authority within a community revitalization and investment area to carry out provisions of the Community Redevelopment Law in that area for purposes related to, among other things, infrastructure, affordable housing, and economic revitalization.

AB 182 - passed by legislature and on Governor's desk for signature or veto. Would prohibit the use of district-based elections in political subdivisions if they would impair the ability of a protected class to elect candidates of its choice or otherwise influence the outcome of an election.

AB 313 - passed by legislature, signed and chaptered. Changes procedures for repacing dwelling units in an Enhanced Infrastructure Financing District and expands the definition of "affected taxing entity" to include a non-property tax special district, if the special district is providing any portion of the funding included in the infrastructure financing plan.

AB 1347 - passed by the legislature and on the Governor's desk for signature or veto. Would require a public entity, excluding certain state entities, upon receipt of a claim sent by registered or certified mail, to review and, within 45 days, provide a written statement identifying the disputed and undisputed portions of the claim. The bill would require any payment due on an undisputed portion of the claim to be processed within 60 days, as specified. If the public entity fails to issue the written statement, would require that the claim be deemed rejected in its entirety and subject to claim appeal procedures.

SB 239 - passed by legislature and on Governor's desk for signature or veto. Would require LAFCO to review contracts for new/expanded fire service outside a public agencies boundaries, and contracting agencies to hold a public hearing and provide written notice to each affected agency and employee organization representing firefighters in the affected areas. Although currently limited to fire services, this bill could set a precedent for employee union approval of local government agreements.

CA Legislative Calendar

- Oct 11** Last day for Governor to sign or veto bills passed by the Legislature.
- Jan 1** Non-urgency statutes take effect
- Jan 4** Legislature reconvenes



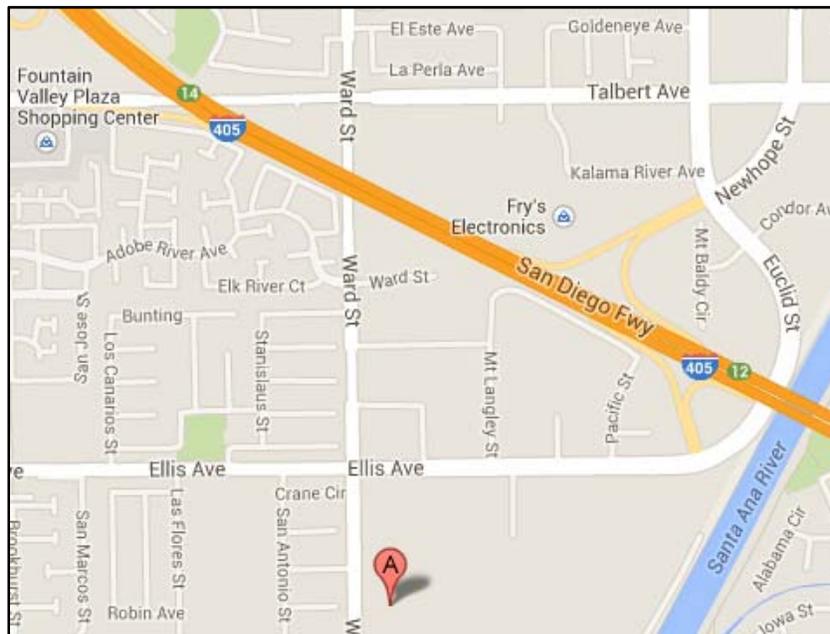
Send us your District News and Press Releases!

Please send your district news releases to ISDOC Secretary Leslie Keane (l.keane@orccd.com) and keep us informed of all the exciting things your special district is doing. We welcome your contributions to our newsletter!

Mark your calendars with our future Meeting Dates:

Executive Committee: First Tuesday of the Month, 7:30 a.m.
General Membership: October 22nd, 11:30 a.m.

We meet at the MWDOC/OCWD Offices 18700 Ward Street, Fountain Valley, CA



ISDOC Executive Committee

President: Mike Scheafer (CMSD) ~ First Vice President: Jim Fisler (Mesa WD)
Second Vice President: Sandra Jacobs (SMWD) ~ Third Vice President: Joel Rattner (RLASD)
Treasurer: Joan Finnegan (MWDOC) ~ Past President: Rich Freschi (Serrano WD)
Secretary/Newsletter Editor: Leslie Keane (OCCD) ~ Staff: Heather Baez (MWDOC)

Representatives to Regional Organizations:

LAFCO: John Withers (IRWD), Charley Wilson (SMWD), Jim Fisler (CMWD)
OCCOG: Phil Anthony (OCWD), Joan Finnegan (MWDOC)
OC Operational Area: Kelly Hubbard (MWDOC), Susan Hinman (MWDOC), Joan Finnegan (MWDOC)