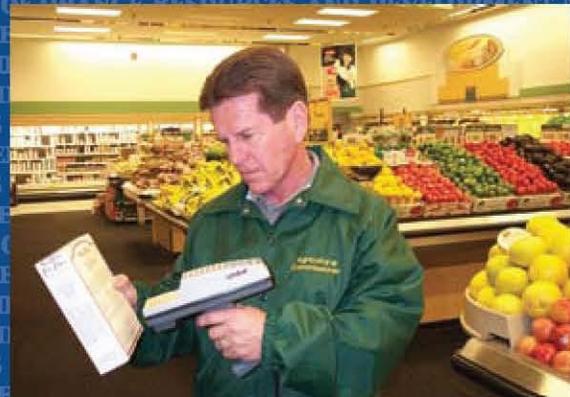
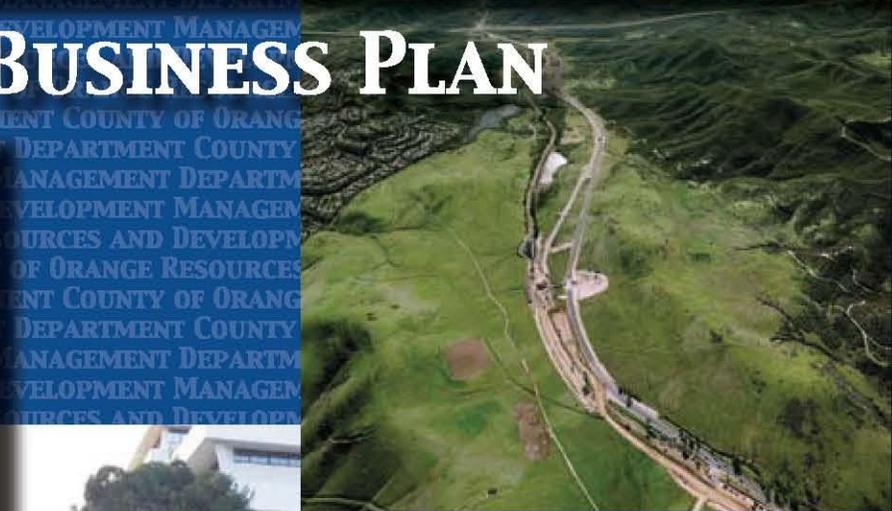
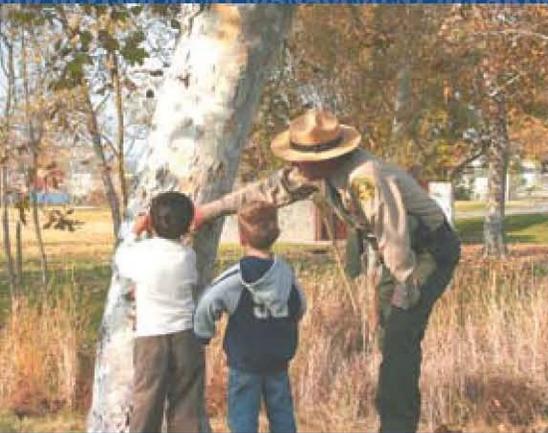




RESOURCES AND DEVELOPMENT MANAGEMENT DEPARTMENT

2007 BUSINESS PLAN



2007

Business Plan



Resources & Development Management Department
Bryan Speegle, Director

Headquarters:
300 North Flower Street
Santa Ana, California 92703

March 20, 2007



COUNTY OF ORANGE

RESOURCES & DEVELOPMENT MANAGEMENT DEPARTMENT

Bryan Speegle, Director
300 N. Flower Street
Santa Ana, CA
P.O. Box 4048
Santa Ana, CA 92702-4048
Telephone: (714) 834-2300
Fax: (714) 834-5188

March 2007

To Our Readers:

Thank you for the opportunity to present you with the Resources & Development Management Department's (RDMD) 2007 Business Plan. RDMD is a unique County department comprised of seven core businesses, each of which directly impacts the quality of life for Orange County residents and the private sector. Our core businesses include: Agricultural Commissioner, Harbors, Beaches & Parks, Flood Control, Road, Planning & Development Services, Internal Services, and Watershed & Coastal Resources.

2006 was an extremely productive year for RDMD. As evidenced below, RDMD staff made significant progress on a number of critical County projects:

- Sale of Katella Yard operations facility and purchase of replacement properties
- Construction and repair of a number of County roadways, including Laguna Canyon Road, and the Glassell Street and Edinger Bridges
- Receipt of \$15 million of reimbursements to the Orange County Flood Control District for the Santa Ana River Maintstem Project
- Successful implementation of Action Plan to address declining building permit workload and the subsequent revenue decline, ending the year without using the Fund 113 Reserve
- Board approval of a Facilities Master Plan to strategically address and manage the County's physical asset portfolio
- Board approval of the Project Management reorganization and County-wide classification study to improve the efficiency of managing the County's capital projects
- Purchase of Green River Golf Course for Santa Ana River improvements required by the Prado Dam Project
- Implementation of the first phases of the Cogeneration project at the County's Central Utility Facility to provide for generation of electricity for the Civic Center
- Implementation of wireless IT system to improve the productivity of Weights & Measures inspectors in the field
- Opening of Nix Interpretive Center in Laguna Canyon
- Implementation of Park Ranger Citation Authority program

We anticipate that 2007 will bring its own share of challenges and opportunities as well. As you will discover from the comprehensive list of issues in our Business Plan, there is no down-time for RDMD staff. In fact, two of the top 10 County Strategic Priorities identified by the Board of Supervisors impact RDMD: Water Quality and Watershed Protection, and County Facilities Master Plan. Each year has its own unique character which unfolds in both planned and unexpected ways, requiring an acceptable response. With that in mind, I would like to take a moment to thank RDMD staff for their continued dedication that allows the County of Orange to make Orange County a great place to live and work.

It is our privilege to serve you at the direction of the County Executive Officer and Board of Supervisors. Thank you for taking the time to learn about the Resources & Development Management Department. For more information about the services provided by RDMD, please visit our web site at <http://www.ocrdmd.com>.

Bryan Speegle, Director
Resources & Development Management Department

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I. EXECUTIVE SUMMARY

Department Overview

The primary mission of RDMD is to provide, operate and maintain quality public facilities and regional resources for the residents of Orange County, and safeguard the high quality of life in unincorporated Orange County through stewardship of the environment, application and enforcement of building, water and grading regulations, and planning of strategically balanced communities. In this capacity, RDMD is responsible for many quality-of-life issues that directly impact Orange County residents and businesses. For example, RDMD:

- Protects Orange County life and property from the threat of floods by planning, designing, constructing, operating, and maintaining flood control channels, dams, retarding basins, pump stations and other flood management infrastructure.
- Systematically eliminate the need for Orange County residents to pay costly flood insurance by improving the flood control systems and removing properties from FEMA floodplains.
- Develops and implements regional water quality improvement strategies to preserve, protect, and enhance coastal resources and surface waters throughout Orange County.
- Constructs, maintains and manages a quality road system in unincorporated Orange County and for cities that contract with RDMD for services. For new development in these areas, RDMD ensures the quality of design, materials and construction methods for public infrastructure such as streets, bridges, traffic signals, side slopes, and storm drains.
- Provides State-mandated Surveyor services that include mapping, land surveying, and maintaining archives of land and boundary data.
- Provides administration of the permitting and land entitlement process, safety of new construction and development, and availability of a range of quality housing opportunities and jobs.
- Provides protection of the physical environment, including preservation of sensitive habitat and wetlands, and accurate forecasting of growth, development and demographic changes.
- Provides regional recreational facilities and manages historic and natural resources. These facilities include regional, urban, natural, and wilderness parks, open space, nature preserves, recreational trails, historic sites, harbors and beaches.
- Enforces mandated agricultural and pesticide regulations and weights and measures programs within Orange County as the local contractor (Agricultural Commissioner) for the State of California.
- Operates and maintains County buildings and facilities, providing utilities and environmental control, managing facilities and security access systems.
- Provides fleet service and maintenance of vehicles, publishing services, corporate real estate services, County records management, internal mail services, County parking facilities management, and capital projects management.

Challenges for 2007

RDMD faces several challenges and opportunities in 2007, the most significant of which include:

Facility Master Plan Implementation

RDMD is responsible for implementation of the Facilities Master Plan approved by the Board of Supervisors to proactively manage the County physical asset portfolio. Examples of projects include planning the reuse of Building 16 in the Civic Center, developing cost effective records storage options, and developing a master plan for the development of the County Operations Center to include the Animal Care Center and Fruit Street operations. RDMD will work closely with County agencies/departments and the County Executive Department to address any budgetary and transitional issues.

Capital Project Delivery/Project Management Training

The final phase of RDMD's multi-year restructuring effort included the approval and the beginning of implementation this year of a new process for delivering capital projects, providing a more accountable and efficient systems in which to manage capital projects. RDMD worked with the Human Resources Department to complete a multi-agency/department job reclassification and meet and confer sessions with the impacted employee associations. In 2007, RDMD will implement a new Office of Standards and Compliance to establish uniform methods within the department of managing and training for capital projects, and fill positions in the newly established Project Management Office in its Public Works Function.

Katella Yard Relocation

Katella Yard operations are scheduled to be relocated as result of the sale of the Yard to the Orange County Transportation Authority (OCTA). RDMD/Internal Services has identified and acquired two sites, including four properties, to accommodate the relocation of the current County occupants at Katella Yard. In 2007, RDMD will plan and commence relocation of County divisions from Katella Yard to the new site.

Grading and Building Permit Workload Decline

Over the past few years, due to the incorporation of County land within cities, the workload for the Planning & Development Function of RDMD has diminished. As a result, RDMD was required to decrease expenses, including services and personnel. These workload reductions, in many cases, are the result of market economic factors which occur quickly and do not allow advanced planning. Last year, Planning & Development Services successfully managed a major downturn and was able to relocate staff in other parts of RDMD. However, future reductions will have to be managed carefully as RDMD has few vacancies in the required classifications. The Department will remain vigilant, closely monitoring building permit activity against revenue and expenditure projections to be in a position to immediately adjust operations in response to changing trends.

Watershed Program Funding

Watershed activities are mandated by the federal and state government, but in most cases are unfunded mandates. The resulting gaps in funding have been covered primarily by RDMD's Flood Control Fund. RDMD and CEO staff have spent considerable time over the past two years identifying all of the complex programmatic and financial issues, and in identifying alternative solutions. These discussions have resulted in increases in County General Fund dollars allocated to Watershed & Coastal Resources until a more permanent financing solution can be found.

Cogeneration at the Central Utility Facility

RDMD has made significant progress in the implementation of Cogeneration technology at the County Utility Facility. In 2006, RDMD contracted for the design of the facility enhancements as well as purchased important equipment. In 2007, RDMD will complete the final design of the facility, and award contracts for the first phase of the facility and network construction portions of the project. Successful completion of these activities will ensure that the project remains on schedule for a projected start-up in 2008.

Funding Issues

Securing adequate funding for each of RDMD's Functions has been a challenge for several years. There are several reasons for this including RDMD's commitment to provide funds for bankruptcy recovery. In FY 2006-07, RDMD will provide \$40.4 million from its Harbors, Beaches & Parks, Road, and Flood Control revenues to the bankruptcy settlement. These issues have been partially mitigated due to increases in funding resulting from Board approval of additional General Fund dollars to Harbors, Beaches & Parks and Watershed & Coastal Resources Functions, state reimbursement of long overdue flood control subvention claims, and state resumption of Proposition 42 funds for road maintenance and repair.

Retirements

With the implementation of a new County retirement plan, all County agencies/departments have experienced increased retirements the past three years. This has resulted in both challenges and opportunities for replacing many veteran staff. One opportunity is that it has allowed RDMD to reexamine its organization, develop effective succession planning tools, and implement efficiencies. As each position is vacated, it is carefully reviewed and only those vacancies that are critical to our mission are being replaced. Another wave of retirement notifications has been received for the first quarter 2007.

RDMD looks forward to improving the quality of life for Orange County residents and businesses by meeting these challenges of today and tomorrow under the direction of the County Executive Office and Board of Supervisors.

II. MISSION & GOALS

Mission

The mission of the Resources & Development Management Department is to maintain and improve the high quality of life in the County through stewardship of County land, waterways, and facilities, enforcement of building and environmental policies and regulations, and planning of new and improved private and public buildings and facilities, including harbors, beaches and parks.

Goals

RDMD accomplishes its mission through the dedicated efforts of its staff who are organized around the Department's core responsibilities (businesses). Each core business has strategic goals, which serve to both guide department staff in performance of their tasks and communicate the value RDMD provides to the community it serves.

RDMD's goals, by core business, are:

Flood Control

1. Protect Orange County life and property from the threat of floods by planning, designing, constructing, operating, and maintaining flood management infrastructure.
2. Eliminate the need for Orange County residents to pay costly flood insurance by improving flood control systems and removing properties from FEMA floodplains.

Road Program

3. Provide a safe and efficient roadway system within the unincorporated County and contract cities.

Harbors, Beaches & Parks

4. Maintaining and operating high quality regional recreation and historical facilities and natural resource sites that are well maintained, well operated and safe, and offer diverse enjoyable recreational experiences.

Agricultural Commissioner

5. Provide citizens a basis of value comparison and fair competition by ensuring accuracy of weights and measures system.
6. Prevent exotic plant pests and diseases.
7. Protect residents, users, and the environment from pesticide hazards.
8. Protect areas from the threat of wildfire through weed abatement.

Internal Services

9. Support RDMD programs and County agencies and departments by providing the following: vehicle fleet services, facilities management, environmental control, security access systems, utilities, printing and publishing services, County capital project management, internal and corporate real estate services, internal mail services, parking management, and records storage and retrieval.

Watershed & Coastal Resources

10. Protect water quality and the beneficial uses of streams and coastal resources throughout the County and comply with and enforce water quality laws and regulations.

Planning & Development Services

11. Require and enforce grading and construction standards to provide a safe living, working and recreational environment.
12. Plan for the availability of a wide range of quality housing and employment opportunities throughout the unincorporated areas.
13. Plan for the preservation and management of open space and protection of sensitive habitats, waterways and wildlife.

III. CORE BUSINESS OPERATIONAL PLANS

Clients

RDMD's numerous programs and services impact various segments of the entire County, including four main categories of clients:

1. Regional Client Services

RDMD serves the County by providing regional flood control, water quality enhancement, recreation, and agricultural services. These regional services are countywide and are provided equally within city boundaries as well as in unincorporated areas. Everyone who lives, works, or visits Orange County benefits from County services and infrastructure. Property owners, businesses, and visitors all benefit and therefore are our clients. Residents in adjacent counties also benefit through our involvement in cooperative projects undertaken with their local governments.

2. Municipal Client Services

For those residents and businesses in unincorporated areas, RDMD functions as both the "Public Works" and "Planning" department providing local drainage, road construction, traffic and safety operations, weed abatement, street maintenance, and planning activities such as zoning, permitting, and code enforcement. In some cases, municipal services such as traffic management are retained through contracts with the new cities.

3. County Department Client Services

Our third set of clients is our internal County of Orange customers. These are the clients to whom we provide technical assistance, internal and corporate real estate services, parking, County mail, facilities maintenance, environmental controls, security access systems, capital project management, utilities, vehicle fleet support, publishing services, records storage and retrieval, and space planning/development services.

In addition, RDMD provides a variety of staff to various County commissions and committees such as the City Engineers Flood Control Advisory Committee, Development Processing Review Committee, Planning, Historical and HBP commissions, and the Orange County Stormwater Program. RDMD acts as the lead agency for recommendations to the Board of Supervisors on all items related to these core businesses.

4. Private Sector

The private sector clients include any person or business involved in planning, environmental compliance and development processing within the unincorporated areas of the County. Examples of private sector clients include architects, engineers, contractors, individual homeowners and developers. The needs of these clients vary in terms of scope and complexity, from multi-million dollar regional shopping centers to individual homeowners wishing to construct a room addition or swimming pool.

Orange County Flood Control District's Operational Plan

To achieve RDMD's goal of protecting Orange County residents and businesses from the threat and damage of flooding.

Clients

The clients of the Flood Program include all residents and property owners of Orange County.

CORE BUSINESS: FLOOD CONTROL		
Clients	Service Needs	Services Provided
Residents, property owners, business owners, cities, special districts	<p>Provide regional flood control protection to County residents, municipalities, government agencies and businesses.</p> <p>Removal of floodplain designations from properties and elimination of costly floodplain insurance payments.</p> <p>When a channel is improved to convey the 100-year storm event, the flood threat is mitigated and a previously existing floodplain can be removed.</p> <p>OCFCD has a Multi-Year Capital Projects Plan to accomplish the aforementioned.</p> <p>Countywide, flood control deficiency is estimated at \$1.3 Billion (2000 dollars)</p> <p>The time frame for improving the system to the 100-year level is dependent on availability of funding, and may take over 90 years to complete.</p>	<p>Designing, building, and maintaining flood control channels, dams, and other flood protection facilities.</p> <p>Monitoring potentially severe storm events and responding to emergencies.</p> <p>Complying with Federal Clean Water Act standards and related regulations for stormwater and urban runoff.</p> <p>Cooperating and coordinating with water districts and other local agencies to enhance regional water conservation efforts.</p> <p>Submit applications to the Federal Emergency Management Agency (FEMA) for removal of properties from designated floodplain zones. This activity is accomplished when construction of flood control facilities has been completed.</p> <p>Permitting connections to and use of the regional flood control system.</p>
Residents, property owners, & businesses throughout the Santa Ana River watershed in San Bernardino, Riverside, & Orange Counties	Remove flood threat from the Santa Ana River.	Acquiring land and easements and performing relocations needed to construct the Federal Santa Ana River Mainstem and proposed Prado Dam Projects, supporting the lead agency's efforts to build flood control improvements on the Santa Ana River.

CORE BUSINESS: FLOOD CONTROL		
Clients	Service Needs	Services Provided
Land developers; contractors; public utility companies; State, Federal and local agencies.	Provide needed assistance to developers and other agencies to design and construct regional flood control amenities that meet OCFCD standards and criteria, as part of the development process.	<p>Preparing cooperative agreements for the construction of public infrastructure with land developers, State, local and Federal agencies.</p> <p>Reviewing right-of-way deeds, permit applications, environmental documents and other submittals for consistency with OCFCD policies.</p> <p>Reviewing/approving hydrology submittals, concept studies, permit applications, master plans, runoff management plans, reports, environmental documents for hydrologic and other flood control related policy issues.</p> <p>Developing standards and providing quality assurance inspections for the construction of public infrastructure by private developers.</p> <p>Enforcing construction material standards through sampling and laboratory testing.</p> <p>Issuing permits for private use of public properties or for the modification of infrastructure by private parties.</p>

Challenges

Challenges for the Flood Control Program in 2007 include the following:

Improving the Flood Control System to the 100-year Level - Continue efforts to raise the level of protection in Orange County to the 100-year level. To accomplish this, it is currently estimated that it will cost \$1.3 billion of capital project expenditures over 90 years to complete all Flood Control improvements

Ongoing Legislation Efforts to Increase Flood Protection Beyond the 100-year Level - There are serious efforts on the National and State levels to raise the flood protection levels to as high as a 500-year level. This would have serious financial consequences for both the County and the residents/businesses adjacent to the river. Even increasing the level of protection to a 200-year level could place over 18 cities in a newly defined floodplain which requires costly flood insurance from residents/businesses. Included are cities which were recently removed from floodplains resulting from construction of the Santa Ana River project.

Develop Alternative Funding Sources for Water Quality and Watershed Efforts - The last six years have seen a dramatic increase in efforts to curb the impacts of urban runoff through collaborative planning processes and regulatory and legislative mandates. However, no reliable local funding sources have been created to accomplish these water quality objectives.

The Orange County Flood Control District (OCFCD) has spend over \$20 million over the past four years on watershed expenses, and estimates to spend approximately \$3.0 million more per year towards watershed and water quality endeavors. Historically, such funds were used to construct new channels or improve existing channels. Since diversion of these funds for watershed and water quality projects impacts the overall flood control funding availability, the mitigation of the flood threat in Orange County has been delayed.

This is in addition to Flood Control District property tax monies (\$8 million FY 2006-07) already being diverted annually as a result of the County's bankruptcy settlement, which will sunset in FY 2015-16. The amount diverted each year changes based on assessed value of the property in unincorporated Orange County. The fund must also finance the maintenance of the flood control system and maintain a reserve amount of \$26 million for emergencies. That will result in limited dollars each year to fund new flood control improvement projects. At this rate, completion of all flood control improvements to convey 100-year storm flows in Orange County will take well over 90 years and over \$1.3 billion of capital project expenditures.

RDMD continues to work with the CEO to increase the funding for the Watershed program. As a result of the 2006 Strategic Financial Plan, the CEO recommended, and the Board of Supervisors approved, an additional \$1.3 million annually in General Fund appropriations beginning in FY 2007-08. However this additional increase in General Fund appropriations remains short of the funding required to fill the funding gap for this program. As a result, WCR will continue to rely on over \$1 million annually from the Flood Control fund to cover the County's cost share.

Incorporate Water Quality and Habitat Enhancements into the Flood Control Infrastructure - Orange County Flood Control Channels are currently being designed for multi-use purposes with a much broader vision beyond just the safe conveyance of floodwaters. These multiple uses include flood control, environmental habitat, in-stream sediment stabilization, erosion protection, water quality treatment and recreation. The challenge for RDMD is to find engineering and maintenance solutions to accommodate competing, multiple uses within flood control facilities while providing for a specific level of flood capacity. These competing, multiple uses add additional planning, permitting, mitigation, construction, operation, and maintenance costs (along with rapidly escalating construction expenses) which in the past were not a factor in the flood control infrastructure budget. An additional challenge is to identify and secure funding sources for construction and maintenance of such facilities.

Perform Flood Control Maintenance Within A Regulatory Environment - Maintenance within channels and basins is regulated by various state and federal agencies. Work must be carefully planned and designed to avoid damage to endangered species or their habitat. This requires greater lead time and expense. The challenge for the OCFCD is to establish long-term individual or regional general permits (RGP) that will allow maintenance activities to occur on a repetitive basis without lengthy delays for biological evaluation and reporting. It is the Department's goal to secure a RGP for each watershed. This will be the most efficient way to provide permits for maintenance.

Acquire Regulatory Permit Approval for Capital Project Construction - Securing regulatory permits is frequently the longest activity and therefore the critical path for getting a capital project prepared for construction. Delays of several months, and in some cases years, have been experienced. The volume of permits will continue to increase as the County works to implement Proposition 42 Road projects.

Financing Completion of the Santa Ana River Mainstem/Prado Dam Projects - As of June 30, 2006 the OCFCD had expended approximately \$320.3 million on the Santa Ana River (SAR) Mainstem including Prado Dam Project (Projects). The U. S. Army Corps of Engineers' current estimate of the OCFCD's total cost share obligation for the Projects exceeds \$500 million. Under the State Flood Subvention Program (Program), flood control districts throughout the State are reimbursed up to seventy percent (70%) of their expenses for federally authorized flood control projects.

As of June 30, 2006, the OCFCD has been reimbursed only \$122.4 million of its costs for the projects. As of December 15, 2006, the amount of unpaid claims submitted by OCFCD to the State totals \$79.8 million. When all remaining claims for net expenses through June 2006 are submitted, the State will owe OCFCD a total of approximately \$101 million. Potentially, \$14.5 million of this amount will be reimbursed by June 2007.

Propositions 1-E and 84 were approved by the voters authorizing the State to sell bonds that will infuse much needed cash into the State's subvention reimbursement program. Proposition 1-E provides \$500 million for subvention reimbursements and Proposition 84 provides another \$180 million. The availability of funds will be contingent upon the State receiving proceeds from the bond sales.

By June 30, 2007, the OCFCD plans to spend at least an additional \$152 million on real property rights acquisitions and reallocations for the Prado Dam Project. If the State can promptly reimburse the amount owed for actual and projected expenses through June 2007, the OCFCD will have sufficient funds to meet its currently estimated total cost obligations for the Projects (excluding a potential sewer line relocation cost).

The OCFCD is also seeking funds to be included in Federal Fiscal Year 2007-08 budget to continue construction of the Projects and for reimbursement of property acquisition costs exceeding OCFCD's maximum cost share.

Resources

The Flood Program encompasses the Flood Fund 400, Accumulated Capital Outlay Fund 404 and Santa Ana River Environmental Enhancement Fund 403. The program is staffed by 257 full-time equivalent positions assigned to several RDMD divisions. Expenditures for the Flood Program funds are budgeted at just over \$145.0 million and being balanced funds, revenue is budgeted at the same amount.

Revenue is primarily derived from property taxes, State subventions, interest earnings, and carry-over funds not expensed in the previous fiscal year.

Strategies for Meeting Challenges and Accomplishing Goals

Flood control strategies include the following:

- Exert leadership with the City Engineer Flood Control Advisory Committee to develop priorities for flood control capital projects.
- Continue to efficiently design capital improvement projects per the multi-year Capital Improvement Projects' plan.
- Continue to develop state-of-the-art staff expertise in flood control technical issues despite the high percentage of newly hired engineers in the Flood Control Division.
- Participate in committees which are developing/seeking alternate funding sources for water quality expenditures.
- Work with other counties and flood management entities to lobby State and Federal governments to either maintain the current 100-year level of protection requirement or establish a risk-based approach.
- Continue to work with the US Army Corps of Engineers on the Westminster and San Juan Creek Watersheds to determine Federal interest in funding up to 65 percent of construction costs.
- Continue to work with the California State Association of Counties (CSAC) and the Department of Water Resources (DWR) to lobby for equitable distribution of flood control funding resulting from Propositions 1E and 84. However, the DWR has announced that the primary benefits to Counties outside of the Central Valley will be the funding of the subvention program.
- Coordinate with FEMA during their National (floodplain) Map Modernization efforts to ensure proper delineation of levees and floodplains in Orange County. At issue is the delineation of areas behind levees that cannot be certified (structurally and hydraulically) within 2 years.
- Continue the real property acquisition plan to meet OCFCD's requirements for the Santa Ana River Mainstem/Prado Dam Projects, expedite submittal of State Subvention Program reimbursements claims, and urge elected representatives to support State and Federal funding to complete the Projects.
- Participate in the development of a Special Area Management Plan in San Diego Creek and San Juan Creek watersheds.
- Critique project design for compatibility with water quality and habitat objectives.
- Continue use of the maintenance management system for flood facilities.
- Perform training for emergency management.
- Review subdivision development plans to maintain safety and minimize long-term maintenance costs.

Primary Outcome Measures

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Percentage of OCFCD Channel Miles Constructed to Convey 100-Year Storm.	43.1%	43.6%	44.0%	44.5%
Why: Indicates degree of protection and the remaining threat of flood damage.				
What: Number of flood insurance policies required in Orange County.	27,026 insurance policies	27,000 insurance policies	27,063 insurance policies	26,480 insurance policies
Why: Indicates the requirement for flood insurance in unprotected areas that the department will seek to reduce through infrastructure improvements.				
What: Total premiums paid for flood insurance in Orange County.	\$17,165,595	\$16,500,000	\$17,376,365	\$17,359,477
Why: Indicates the cost of flood insurance in unprotected areas that the department will seek to reduce through infrastructure improvements.				
What: Flood Control Infrastructure Report Card Grade.	Grade "C-"	Grade "C-"	Grade "C-"	Grade Issued Every 5 Years
Why: Indicates the quality of infrastructure construction and maintenance as reported independently by the American Society of Civil Engineers.				

Complete 100-year protection levels can be achieved when all flood control deficiencies (\$1.3 billion) have been eliminated. This will be achieved with local funding as well as federal/state funding. The time frame to achieve that will depend upon the availability of local, State and Federal funding, but likely to absorb over 90 years.

Road Operational Plan

To achieve RDMD’s goal of providing a safe and efficient roadway system in the unincorporated and contract city areas of the County.

Clients

For our clients in unincorporated areas, we function as the “Public Works Department” responsible for construction of road infrastructure, traffic and safety operations, street maintenance, and related services. These duties are transferred to city government when an area is annexed by an adjacent city or is incorporated as a new city, unless work is contracted back to the County.

CORE BUSINESS: ROAD SYSTEM		
Clients	Service Needs	Services Provided
Drivers, pedestrians, and cyclists on streets in unincorporated Orange County & Public at large.	Provide safe and efficient street, roadway and trail systems.	Securing funding to develop road and trail projects. Designing, building, and maintaining streets, bridges and local drainage systems. Ensuring traffic safety through the Orange County Traffic Committee. Designing, installing, and operating traffic control systems.
Land developers; public utility companies; cities and other local agencies; contractors, State and Federal agencies; other County departments & government agencies.	Ensure that permitted roadway improvements meet County design standards.	Developing standards and providing quality assurance inspections for the construction of public infrastructure by private developers. Enforcing construction material standards through sampling and laboratory testing. Issuing permits for private use of public properties or for the modification of infrastructure by private parties. Participating on steering committees, working with special interest groups and organizations.
Six cities; Transportation Corridor Agency; CalTrans & OCTA.	Cities and agencies not having public works components and/or requiring support to their existing operations rely upon contract maintenance with the County to maintain infrastructure.	Providing public works maintenance and traffic engineering services under contract. Managing public works construction projects. Providing project management and engineering and construction management services to local municipalities and the OCTA on joint projects.

Challenges

Challenges for the Road Program in 2007 include the following:

Sustaining a Road Maintenance Program and Continuing Implementation of the Capital Improvements Program (CIP) - Although the unincorporated County areas has decreased in size, the approval of new development in south Orange County will continue for several years, with on-going maintenance responsibilities and implementation of the CIP expected to continue.

In addition to annual road maintenance, another important Road Function is to provide a safe and efficient roadway system by implementation of new roads in the CIP. Not surprisingly, the challenge is to identify funding for this program. As a result, RDMD is constantly seeking to supplement Road Fund gas tax revenues with grant funds. While the largest source of grant funding includes Measure M competitive programs, the Department also applies for any available additional grants.

Proposition 42 represents another significant source of funds. These funds are being made available to Counties based upon the number of registered vehicles and total maintained unincorporated County mileage. The County of Orange received approximately \$8 million in FY 2005-06, anticipates receiving \$13.5 million in FY 2006-07 (payback of funds owed to the County in FY 2003-04 and FY 2004-05 but diverted to the State General Fund), and \$16 million in FY 2008-09 and each year beyond. Proposition 42 funding will not be available in FY 2007-08, but the funding will resume in FY 2008-09 with approximately \$16 million for each year and thereafter, assuming the current gas tax revenue stream continues. Proposition 42 funding is earmarked to be expended no later than the end of the second fiscal year following the fiscal year in which the allocation was made, or the funds must be reimbursed back to the State. RDMD has identified a list of proposed projects that qualify for the program.

In November 2006, State voters passed Proposition 1B authorizing nearly \$20 billion in bonds for Statewide transportation enhancements. This multi-faceted State funded transportation legislation is composed of five separate parts, 1) Local Street and Roads Improvement, Congestion Relief, and Traffic Safety Account; 2) Corridor Mobility Improvement Account; 3) State Transportation Improvement Programs (STIP); 4) State Local Partnership Account; and 5) Local Bridge Seismic Retrofit Account. While the official guidelines for the use of these funds have not been issued by the State, a preliminary analysis of this legislation has determined the County can expect to receive up to \$6.16 million per year for 10 years in funds for the Local Street and Roads Improvement, Congestion Relief and Traffic Safety Account alone, the first allocation of which is expected in FY 2007-08.

Voters in Orange County also extended Measure M ("M II") which will take effect on April 1, 2011. "M II" will provide \$11.86 billion in transportation funding over 30 years, nearly \$4 billion of which will be earmarked to improve city streets and synchronize traffic signals countywide.

The recent approval of Propositions 1A and 1B, and the extension of Measure M will require Road Programs to develop a long-term expenditure plan which captures these funding opportunities to the benefit of the County's road system.

These additional funds will greatly assist but will not meet the specific Road Program challenges for larger CIP road projects such as Santiago Canyon Road, La Pata Avenue, Alton Parkway, Katella Avenue, Antonio Parkway and Irvine Avenue. RDMD also faces the challenge of completing several partially funded future public roadway improvements needed pursuant to the Development Agreement with the Rancho Mission Viejo Company.

In addition, RDMD is currently contributing over \$38.72 million per year to the County bankruptcy recovery. The Road Fund is contributing \$23 million of this amount per year until FY 2013. This significantly impacts the Road Fund and results in shortfalls in funding to keep up with ongoing maintenance, as well as fully funding the CIP.

Implement Water Quality Best Management Practices for County Roads - Implementation of water quality Best Management Practices (BMP) continues to represent a main focus for the design, construction and maintenance of County roads. In addition to increased street sweeping and storm drain cleaning, RDMD projects are incorporating onsite water quality basins for sediment control and water percolation. These types of BMP's require additional construction and right-of-way costs and related long-term operation and maintenance responsibilities. The challenge is to creatively implement water quality objectives in the roadway system without sacrificing safety or creating extraordinary maintenance costs.

Acquire Regulatory Permit Approval for Capital Project Construction - Securing regulatory permits remains the single most difficult element of delivering road capital projects and related construction advertising. Regulatory agencies continue to maintain a perspective in which their reviews only consider their limited objectives of protecting and restoring habitat and water quality. These competing objectives add cost and often cause delays in projects as the County strives to develop cost-effective designs to meet increased environmental requirements to protect species and habitat and mitigate the impact of the projects. The addition of the Regulatory Permits Section has helped to improve communication with State and Federal regulators.

This challenge requires a focused review on project designs. The designers and project managers must be open-minded and skilled negotiators to develop a project that will accomplish the Department's objectives. We continue to work cooperatively with the Corps of Engineers, State Fish and Game and U.S. Fish & Wildlife to incorporate the County's La Pata Avenue Gap Closure project into the Natural Community Conservation Planning (NCCP) program.

Resources

The Road Program is funded through the Road Fund 115 and the Special District Fund 148. The program is staffed by 220 full-time equivalent positions. Expenditures and revenues for all Road funds are budgeted at nearly \$93 million in FY 2006-07. Revenue is derived from a number of sources including gas tax, sales tax on gasoline, interest earnings, Mello-Roos bond sales, major thoroughfare and bridge fees, and Measure M grants.

Sufficient monies to operate and maintain roads so that they are safe and can support the overall traffic needs of the County must be balanced against the need for new programs eligible for road funding. To assure an appropriate balance, RDMD will continue to pursue additional grant funding from State, Federal and OCTA sources whenever possible.

Strategies for Meeting Challenges and Accomplishing Goals

Road strategies include the following:

- Develop recurring long-term revenue sources for County road maintenance.
- Vigorously negotiate and work with CEO to retain all Gas Tax funds needed to implement our capital improvement program and maintain the unincorporated County road system.
- Leverage project management techniques to ensure timely, cost effective delivery of capital projects.
- Continue use of the Orange County pavement management system.
- Capture all sales tax on gasoline revenues available to the Road Fund.
- Supplement Road Funds for capital projects with available grants.
- Influence choice of best management practices based on minimizing long-term maintenance costs.
- Evaluate effectiveness and resources devoted to the Regulatory Permits Division.
- Review subdivision development plans to maintain safety and minimize long-term maintenance costs.

Primary Outcome Measures

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Number of reported traffic accidents per centerline mile of unincorporated County roads.	2.0 reported accidents per mile	1.4 reported accidents per mile	1.4 reported accidents per mile	1.4 reported accidents per mile
Why: Indicates safety of roadway system operated by the County.				
What: Percentage of unincorporated County roads with a surface pavement condition rating of "Good" or "Fair"..	Good 56% Fair 34%	Good 59% Fair 32%	Good 69% Fair 22%	Good 71% Fair 20%
Why: Indicates condition of pavement maintenance as the result of good pavement management practices. Well-maintained pavement costs less to keep in service over time.				
What: Percentage of unincorporated County arterial intersections with acceptable operating speed as determined independently by the Orange County Transportation Authority.	100%	100%	100%	100%
Why: Indicates efficiency of roadway system in unincorporated areas as the result of design improvements.				

Harbors, Beaches & Parks Operational Plan

To achieve RDMD’s goal of maintaining and operating high quality regional recreation and historical facilities and natural resource sites that are well maintained, well operated and safe, and offer diverse enjoyable recreational experiences.

Clients

HBP’s clients include all visitors pursuing recreational, cultural and historical interests.

CORE BUSINESS: HARBORS BEACHES & PARKS		
Clients	Service Needs	Services Provided
Local residents; recreational users, hikers, bicyclists, boaters, equestrians; environmental support groups; historical societies; youth organizations, school groups; film industry; resource agencies, universities, and scientific community.	Facilities that are: <ul style="list-style-type: none"> • Safe • Affordable • Aesthetically pleasing • Accessible (ADA compliant) • Recreationally diverse Specialty facilities (e.g. equestrian parking, fishing docks, boat slips).	Maintaining and operating varied recreational opportunities such as regional parks, wilderness parks, beaches, trails, historical sites, and harbors. Providing special event sites for weddings, corporate picnics, and recreation programs.
Businesses with leases and concessions on public property managed by RDMD/HBP.	Fair return on capital investment. Conduct business competitively and to industry standards.	Developing and administering private sector activities that provide additional amenities for HBP general public clients while generating revenues for HBP programs.

Challenges

HBP challenges in 2007 are as follows:

Strategic Planning - RDMD is in the process of developing Strategic Plan to: assess critical HBP Program priorities; establish a vision, mission, and long-range goals; and, develop action plans to meet these goals and fiscal challenges. The strategic planning process began in early 2006 and in November 2006 the Board provided direction to planning efforts during a mid-term review of the process. The result of these efforts will provide strategic direction for Harbors, Beaches & Parks operations for next 10-20 years.

Maximize the Use of Increased Funding - The current fiscal condition of the HBP Fund has significantly improved over the situation of the past several years, and is projected (in the HBP Strategic Plan Pro Forma) to continue to improve over the next ten years. In previous years, annual operating income (primary funding sources: property taxes, user fees and lease rents) was generally equal to the costs of current operational service levels and programs. A key reason for this was that HBP provides funds for bankruptcy recovery efforts which will continue through FY 2015-16. This diversion of annual income increases annually by the increase in assessed evaluation and has reached \$8.7 million for FY 2006-07. At the conclusion of this fiscal year, HBP will have contributed \$64.7 million to bankruptcy recovery over the past eleven years.

HBP's fiscal condition has greatly improved as a result of: Board allocation of additional General Fund monies, the cumulative effects of assessed valuation/property tax growth averaging nearly 9% annually over the past six years, the end of the State's two-year "ERAF shift" of \$3 million in HBP property taxes per year, and over \$1.7 million in annual cost savings achieved by RDMD recommendation and Board approval over the past two years of transfers of non-core HBP business costs/responsibilities to other agencies. These revenue increases are now being addressed in completing Phase III of the HBP Strategic Plan for policy options among potential uses of these funds.

New Capital Projects - The current Five Year Capital Program contains an average of \$12 million per year for the Board's discretion in using for many needed HBP capital projects. This level of funding is contingent on the assumption that the Board will continue to provide revenue offsets to the HBP for the costs of Harbor Patrol services.

Resources

The County manages over 39,000 acres of regional parks and open space lands, including over 32,000 acres of regional recreation facilities owned or leased by the County and directly managed by RDMD/HBP, plus another 7,000 acres in open space and scenic preservation and other easements that buffer and adjoin HBP facilities. The County's HBP facilities provide Orange County residents with a wide range of recreational opportunities, including large open space areas located in both urbanized and remote areas, a service that cities are unable to provide through their local parks programs thereby allowing the County's system of regional facilities to uniquely service an important recreational need.

The Harbors, Beaches & Parks Function of RDMD is staffed by 260 positions. Seasonal extra-help is utilized to supplement core staffing. Overtime is used primarily to accommodate holiday park attendance, weather emergencies and the need to respond to pollution spills, fire, and other emergency incidents.

The recurring annual financing for HBP operations and maintenance comes from property taxes, rents and user fees. The Newport Bay Tidelands Fund contains income and expenses from RDMD/HBP's management of certain tidelands properties granted in trust from the State to the County, and dispersed throughout Newport Harbor and Upper Newport Bay. This Fund is financed primarily by revenue derived from rents and leases of these tidelands properties. State law mandates that the income from the County tidelands properties may only be used for expenses upon or directly benefiting the granted tidelands.

Strategies for Meeting Challenges and Accomplishing Goals

Completion and Implementation of Strategic Planning Process

RDMD/HBP will be working toward successfully completing and receiving Board approval for its Strategic Plan, outlining the direction and funding for HBP over the next 10-20 years. Once approved, HBP will develop actions plans to ensure the implementation of this direction.

Regional Recreation Facilities Operation and Management:

- Continue to employ cost containment strategies and expand upon those to the extent possible while maintaining or enhancing levels of service to the public.
- Continue to identify existing County HBP facilities that do not reflect HBP core business purposes, and to arrange for transfer of such facilities to a more suitable service provider.
- Perform a “capital facilities replacement and funding study” of current physical conditions of existing facilities and infrastructure, their projected remaining service life, and their estimated costs and funding alternatives (budgeted FY 2006-07).
- Implement a facilities management program for managing assets and tracking maintenance projects.
- Continue and expand partnering and sponsorship opportunities with other agencies, and private parties and entities, for added revenue generation and to leverage the use of HBP Program resources.
- Review all existing fees with the dual goals of ensuring that fees reflect competitive market and demand levels, and to increase revenues.
- Maximize the availability of grant funding, including aggressively pursuing competitive grant opportunities resulting from passage of Proposition 84 in November 2006.

Primary Outcome Measures

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Percentage of visitors rating the quality of parks as good or excellent as reported in a valid survey.	N/A	N/A	97%	97%
Why: Indicates quality of opportunities for people to learn, relax, recreate, and interact.				
What: Percentage of residents rating the quality of beaches as good or excellent as reported in a valid survey.	N/A	N/A	N/A (Specific "beaches" question not asked in survey)	95%
Why: Indicates quality of opportunities for people to learn, relax, recreate, and interact.				
What: Added number of acres managed as open space.	0 acres	240 acres	240 acres	500 acres
Why: Indicates result of preserving and protecting Orange County's natural areas and open space habitats.				
What: Acres of exotic invasive plants removed from HBP lands.	15 acres	24 acres	30 acres	23 acres
Why: Indicates progress in preserving and protecting Orange County's natural areas and open space habitats.				
What: Added acres of restored native vegetation established on HBP lands.	.5 acres	8 acres	6.5 acres	24 acres
Why: Indicates result of restoring Orange County's natural areas and open space habitats to their more native state.				

Agricultural Commissioner Operational Plan

To achieve RDMD's goals of (1) providing citizens a basis of value comparison and fair competition by ensuring accuracy of weighing and measurement systems, (2) preventing exotic plant pests and diseases, (3) protecting residents, users, and the environment from pesticide hazards, and (4) protecting unincorporated areas from the threat of wildfire through weed abatement.

Clients

Agricultural Commissioner Services are countywide and are provided equally within city boundaries as well as in unincorporated areas for state-mandated programs.

California law designates the State as responsible for the overall statewide enforcement programs. As a result, the State has established the following objectives:

- Oversees all local enforcement programs of the County Agricultural Commissioner.
- Assists in program planning for commercial enforcement.
- Evaluates the effectiveness of County programs.
- Provides guidance to County Agricultural Commissioners.
- Assures uniform implementation of laws and regulations for the commercial clients listed below.

Outcome measures for the Agricultural Commissioner are designed to meet the prescriptive requirements of the State of California, who represents the primary customer.

Within the County, clients of this core business are listed below.

CORE BUSINESS: AGRICULTURAL COMMISSIONER		
Clients	Service Needs	Services Provided
Structural pest control operators, landscape gardeners, qualified applicators, farms, cities, special districts, schools, industry, manufacturing, food processing, institutions, and agricultural pest control operators.	Business and industry rely upon effective pesticide regulation to provide for continued use of pesticides essential for production of food and fiber and for protection of public health and safety.	The Food and Agricultural Code mandates that all pesticide use in the County shall be regulated by the Agricultural Commissioner who is responsible for local enforcement of the California statewide pesticide program.
Gasoline stations, mobile home parks, taxicab firms, warehouses, distribution centers, wholesalers, food processors, specialty stores, LPG retailers, water vending retailers, wholesale meter operators, airports, marinas, supermarkets, retailers, parcel post companies, factories, recycling centers, and vehicle scale operators.	Consumers, business and industry rely on weights & measures enforcement to maintain a level playing field in commercial transactions. Failure to provide weights & measures inspections can result in a lack of public confidence in the channels of trade.	The Business and Professions Code mandates that all commercial weighing and measuring devices shall be inspected by the County Sealer of Weights and Measures, who is also required to inspect and test for shortages in packaged goods, and inspect price signs for petroleum products.
Postal and package carriers, cut flower industry, plant nurseries, airport freight companies, sea freight companies, wholesale and retail produce companies, plant brokers, private parties, and household movers.	Serious plant pests can affect numerous industries or change ecological balances. The economic loss caused by pests can be compounded by embargoes placed on California food or plant exports.	The Food and Agricultural Code requires the Agricultural Commissioner to inspect incoming plant materials. Several million packages are released by Orange County Agricultural Inspectors each year.

CORE BUSINESS: AGRICULTURAL COMMISSIONER		
Clients	Service Needs	Services Provided
Plant nurseries, plant and fruit industries (broker, packers and shippers), egg distribution centers, wholesalers, supermarkets, farms, seed wholesalers and retailers, and farmers markets.	Commodities are expedited through the marketplace while providing stability to product quality and protection from unfair trade practices.	The Food and Agricultural Code requires this office to regulate outgoing plant shipments, nursery inspection, fruit and vegetable inspection, farmers markets, seed inspection and egg quality enforcement within the County.
Structural pest control operators, landscape gardeners, schools, farmers, plant nurseries, food processors, manufacturing, institutions, and County residents.	The identification of serious plant pests can help reduce control costs.	The Food and Agricultural Code mandates that the Agricultural Commissioner is required to identify pests.
Property owners in unincorporated Orange County.	To reduce the occurrence of uncontrolled wildfire, a major threat to property owners and their possessions. As illustrated in the 1993 Laguna Wildfire, hundreds of millions of dollars in property losses occurred within hours.	The Health and Safety Code authorizes this office to administer the weed abatement program for 42,000 properties in unincorporated areas. This includes property surveillance for flammable hazards and resolving violations and weed complaints.

Challenges

A prevailing element to every challenge for the Orange County Agricultural Commissioner is the relationship of this office to the State. The County Agricultural Commissioner serves as a State officer and is required to respond and adapt to continuing State directives for recent enforcement programs that remain a high-priority for 2007.

Relocation from Katella Yard

The sale of the Katella Yard property will require the relocation of Agricultural Commissioner staff to a new location.

Approval of Fee Revisions

Assembly Bill 889 allows County Agricultural Commissioner's to collect the full cost of performing inspections of both weights and measures devices and price scanners. A number of other California Counties have taken advantage of this law and have thereby increased their fees. RDMD is currently working with the CEO and Board of Supervisors to propose such a fee increase. The challenge will be to successfully inform and take into the comments from Orange County's commercial businesses who will be impacted by these changes.

Glassy-Winged Sharpshooter/Pierce's Disease Program - The State provides full funding for the Glassy-Winged Sharpshooter/Pierce's Disease Program that was established by the California Department of Food and Agriculture (CDFA). This cost-recovery program is administered in each county by the Agricultural Commissioner.

The objective of the CDFA Glassy-Winged Sharpshooter/Pierce's Disease Program is to provide an effective inspection system to prevent the further spread of the Glassy-Winged Sharpshooter in California. This pest carries a serious plant disease, Pierce's Disease, which threatens California's multi-billion dollar grape industry. The program consists of additional nursery stock inspection, performing surveys, and maintaining an outreach program with the production nursery industry in conjunction with the State.

High Risk Pest Exclusion Program - The California Department of Food and Agriculture will provide funding to the County to continue a cost-recovery inspection program to detect high-risk insects in shipping facilities such as production nurseries, UPS, Federal Express, and US Postal Service. This includes the inspection of high-risk plant shipments pertaining to disease control to provide an effective inspection system against the artificial spread of oak mortality disease (sudden oak death). All nurseries in California are operating under a statewide federal emergency order (quarantine). All shipments of plant hosts or associated hosts that can become infected with *Phytophthora ramorum* and are destined to other states must be accompanied by a certificate indicating compliance with federal requirements.

Resources

This program is staffed by 45 positions and has a budget of slightly over \$3.8 million. Most of the revenue required for this program is received from State contracts and grants. Approximately \$1.3 million is required to fund activities not reimbursed by the State and local weed abatement activities not covered by fees.

The objective of the Weed Abatement Program is to provide a reasonable degree of fire safety in the unincorporated areas of the County and to abate serious fire concerns. Legal authority for the Weed Abatement Program is derived through State and local law, including Health and Safety Code Sections 14875-14920.

Government Code Section 50076 and the Health & Safety Code Section 14912 limit the recovery of weed abatement enforcement costs to the properties actually cleaned by the County. All other costs of administering the program cannot be recovered and result in Net County Cost.

RDMD received State funding to continue high-risk insect detection in shipping facilities and State funding for the Glassy-Winged Sharpshooter Program, which consists of additional nursery stock inspection and maintaining an outreach program with the production nursery industry in conjunction with the State. The Agricultural Commissioner and California Department of Food and Agriculture continue to monitor and evaluate program effectiveness. The State oversees the work plan and provides program evaluation.

Strategies for Meeting Challenges and Accomplishing Goals

- The Agricultural Commissioner will continue its programs of training staff, educating the public, seeking State funding and cooperatively partnering with the State to achieve its goals. The State of California audits the performance results of the Agricultural Commissioner enforcement programs.
- RDMD/Administration has implemented a Weights and Measures Wireless Inspection and Reporting system using wireless laptops and printers for field personnel. This technology has increased the inspector's field performance by improving productivity, data accuracy, and reporting, as well as increased efficiency and record keeping for administration.

Primary Outcome Measures

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Number of valid citizen complaints regarding weights and measures discrepancies per 100,000 residents.	1.0	1.5	1.5	1.5
Why: Indicates diligence in providing citizens with a basis of value comparisons and fair competition through accurate weighing and measuring systems.				
What: Number of valid exotic plant pest and disease reported per 100,000 residents.	5.3	5.0	5.0	5.0
Why: Indicates effectiveness of plant pest and disease prevention program.				
Number of valid cases of pesticide related illness reported per 100,000 residents.	2006 State summary expected to be released in February 2008	1.0	1.0	1.0
Why: Indicates effectiveness of pesticide illness prevention program.				
What: Total number of unincorporated acres burned by wildfire.	10,013 Acres --- 10,000 Acres were from the USFS controlled burn at Sierra Peak Fire	500 Acres	500 Acres	500 Acres
Why: Indicates effectiveness of weed abatement program and the potential reduction in wildfire risk.				

Internal Services Operational Plan

To achieve RDMD's goals of supporting RDMD programs and County agencies and operations by (1) operating and maintaining the vehicle fleet, (2) operating and maintaining facilities, including County-owned parking structures for public and employee parking, (3) providing printing and publishing services, (4) managing County capital projects, (5) providing utilities, security access systems, and facilities environmental controls, and (6) providing internal and corporate real estate services, County mail services, and records storage and retrieval.

Clients

Internal Services' primary clients are RDMD, other agencies and departments of the County of Orange, and other governmental agencies in the Civic Center Area.

CORE BUSINESS: INTERNAL SERVICES TO OTHER COUNTY DEPARTMENTS		
Clients	Service Needs	Services Provided
County agencies/departments	<p>The public who use County services and County employees who work in County facilities rely on buildings and grounds to be safe, clean, comfortable and healthful and to provide normal operational functions and rely on the availability of sufficient parking. Equipment and systems must be maintained in operational order. These include structural systems, electrical/mechanical systems, HVAC, and security devices. Additionally, custodial services and the provision of utilities to County-owned facilities are required.</p> <p>County agencies/departments and the courts rely on a variety of support services to conduct their daily business.</p> <p>County agencies/departments require project management services to ensure County facilities projects are implemented within budgets and on time and satisfy the users' needs.</p> <p>County agencies/departments rely on vehicles that are maintained in good operational condition.</p> <p>County agencies/departments require printing and publishing services, corporate real estate services, internal mail pick-up and delivery, and records storage and retrieval to support their on-going operations.</p>	<p>Maintaining and repairing buildings and their systems for lighting, heating, cooling, environmental control, etc.</p> <p>Managing major construction of and additions to County-owned buildings.</p> <p>Installing and maintaining building security card access systems and maintaining the County master key system.</p> <p>Preparing and managing the utility budget.</p> <p>Purchasing, repairing, and customizing vehicles and heavy equipment, managing a large fleet for County use.</p> <p>Graphic design, printing, photocopying, and bindery services.</p> <p>Operating County parking facilities.</p> <p>Delivering interdepartmental mail.</p> <p>Providing project management services for architecture, engineering and construction for public works-type projects.</p> <p>Providing internal and corporate real estate services, including technical assistance in real estate acquisition, leasing, appraisal and property management.</p> <p>Providing records storage and retrieval services.</p>
Santa Ana Civic Center, which includes city, County, state, and federal government	Components of city, County, state, and federal governments depend upon reliable utilities and the availability of public parking to conduct daily business.	<p>Operating the Central Utility Facility which provides steam for heating and cooking and chilled water for cooling buildings.</p> <p>Operating County parking facilities.</p>

Challenges

Internal Services' operating environment is largely determined by the demands of the County clientele that it serves and is primarily funded through County General Fund dollars and charges for the services provided. Since the County bankruptcy and subsequent creation of RDMD, the primary focus for these services has been to provide essential services with an emphasis on cost reduction or avoidance. In most areas, current levels of service are at a *minimum* when taking into account the needs and demands of our clients, combined with ensuring that such activities are conducted in compliance with existing regulations and mandates that govern the provision of such services. Given the existing environment, several challenges present themselves if Internal Services is to continue moving forward in its efforts to provide quality services.

Provide Essential Services with Existing Resources - One of Internal Services' objectives is to deliver services in a high quality and competitive manner, while meeting the essential needs of County agencies and departments. If available funding sources are reduced to our customers, this will likely result in flat or reduced revenue for Internal Services operations in the upcoming fiscal year. At the same time, the need and demand for our services are not likely to decrease, since many of the functions being provided are not discretionary. Therefore, acknowledging and responding to this situation in a proactive manner are important tasks that must continue to be addressed in the upcoming year. The challenge remains "to do more with less." In the context of providing our essential services within existing or diminishing resources, there are several areas that continue to be explored. These include:

- *Improve Customer Service Through Utilization of New Technology, Better Training, Effective Project Management and Incorporation of Best Management Practices*

The enhanced use of technology has played an important role in improving services in areas such as facility maintenance, environmental control, security access systems, asset management, fleet management and publishing services. Each of these areas has incorporated new information technology applications to improve workload processes and provide substantial evaluation tools. During 2007 the Transportation Fleet Management Services Division will continue to improve its IT infrastructure to promote efficiency in all its operations.

Staff development represents another strategy that has been used to improve services. Recognizing the value of continual training and education, Internal Services will continue to emphasize and focus on implementing a comprehensive on-going training plan in 2007, including a multi-course program in project management techniques for public works, watershed and capital projects. Along with this program, Internal Services will continue to identify and implement best management practices related to resource distribution, workflow processes and customer service. During 2007, the Transportation Fleet Management Services Division plans to provide staff with the training to improve core competencies as they relate to job duties.

- *Continue an Effective Preventive Maintenance Program*

Internal Services has been successful in bringing this issue forward and it being accepted as a County Strategic Priority. The goal of the Preventive Maintenance (PM) program is to prevent continued deterioration of County facilities, reduce emergency repair costs, avoid costly building/system shutdowns, and be proactive regarding the stewardship of public buildings and use of public funds.

At the direction of the Board of Supervisors, Internal Services implemented Phase I of the PM Program in October 2003. This phase included the establishment of a four-person PM team to work a swing shift. An important element of the program consists of using data from the Computerized Maintenance Management System (CMMS), which was installed in 1998 by the Facilities Operations Division. CMMS provides profiles of the systems and components comprising the building infrastructure and maintenance histories and schedules for those components. CMMS also provides industry standards for preventive maintenance of building infrastructure and assists staff in prioritizing preventive maintenance facility needs.

Phase I was approved with limited resources as a pilot program directed at certain facilities and systems. The results from the first phase have been favorable, but ultimate success of this program depends upon continued funding. Additional resources were directed to this program in FY 2005-06 by reallocating two existing positions. The Board is a proponent of the Preventative Maintenance program and, as a result, the program was further expanded in FY 2006-07 to include eight additional positions and \$1.4 million for preventive maintenance contracts. Facilities Operations prepares a report which is submitted to the CEO each fiscal year documenting achievements of the PM program and the resultant cost savings.

- *Implementation of Mid- and Long-term Options of the Strategic Energy Plan*

The County, RDMD and Internal Services continue to identify projects and seek outside funding so that long-term energy costs can be reduced and reliable energy sources can be put into place. In 2006, energy-efficient lighting controls and ballasts were installed at the Civic Center Transportation Garage, at Facilities Operations, and on the 3rd floor of the Manchester Office Building. Connection of five micro turbines to the Data Center for base electrical service and installation of Direct Digital Control (DDC) controls in the Public Defender's Headquarters and in the Engineering/Finance buildings are underway. Also in 2006, RDMD selected and the Board of Supervisors awarded contracts for design and construction services for a Cogeneration plant that will generate sufficient electrical power and energy for heating and cooling all County-owned and County-served buildings in the Santa Ana Civic Center area. Construction documents are now being prepared and initial construction will begin in 2007. A contract to purchase equipment for the Cogeneration plant was awarded in summer 2006 due to the long lead times required for delivering these items. RDMD will continue to monitor proposed legislation that can assist in promoting the County Energy Plan to meet energy needs. Over the next year, the implementation of mid- and long-term options of the Strategic Energy Plan will be re-evaluated and proposals will be solicited and a contract awarded for the development of an updated Strategic Energy Plan.

- *Implementation of Alternative Fuel Vehicle Technologies (Green Fleet Plan)*

RDMD is committed to providing safe, cost effective, environmentally sensitive fleet vehicle and related support services to County agencies and departments. In recognition of this, the Transportation Fleet Management Services Division developed a Green Fleet Plan that is designed with the overall goals to further reduce fossil fuel usage and automotive tailpipe emissions, promote fuel conservation, and comply with governmental regulations. On July 19, 2005, the Board of Supervisors adopted the Green Fleet Concept Plan and approved grants associated with the implementation of the alternative fuel and clean fleet programs.

An important element of the Green Fleet Plan is identifying the best alternative fuel vehicle (AFV) options for the County. Compressed Natural Gas (CNG) has been identified as one of the most viable options. Use of this gas will significantly reduce hazardous emissions by County vehicles. Opportunities for expanding the CNG fleet are being evaluated as part of the annual vehicle replacement program.

RDMD received approval for \$800,000 in grant funding from the South Coast Air Quality Management District (SCAQMD) for the design and construction of CNG fueling facilities. A slow-fill CNG fueling station was constructed at the Civic Center garage. The station has ten fueling pumps to service 31 CNG vehicles. In addition grant funding will be pursued to build a fast-fill fueling station when Shop 2 (Douglas Rd) is relocated.

Another AFV that is being pursued is fuel cell technology. This technology is in the developmental phase and is cost prohibitive as a viable solution for current needs. The Transportation Fleet Management Services Division will continue to develop ties with the industry leaders in this area, so the County can take advantage of any grant opportunities that may be offered.

- *Work with Agencies and Departments to Identify and Evaluate Areas of Potential Cost Savings in Construction, Facilities, and Real Estate and Asset Management Activities*

As a result of the recent RDMD restructuring, Internal Services staff in the A&E, Facilities Operations and Real Estate and Asset Management divisions have been working more closely with staff in agencies and departments that perform similar activities. This has resulted in cost savings which have been identified and realized through such initiatives as sharing service contracts, staff consolidation, utilizing staff from Internal Services to assist departments when workload demands exceed their existing resources and replacement of contracted services with services provided by in-house staff. Internal Services will continue these initiatives as part of our on-going dialogue and feedback program that we maintain with our clients. These types of opportunities will be evaluated and presented to the CEO for consideration as they are developed.

During the 1997 County post-bankruptcy restructure, responsibility for real estate services, along with staffing and funding, was transferred to agencies/departments, including the Health Care Agency, so that the agencies/departments could handle their own real estate transactions. Over time, it became evident that it would be more cost effective and efficient to transition this responsibility for the Health Care Agency (HCA) to the Real Estate Services Division in RDMD. In 2006, two real estate personnel were transferred from HCA to RDMD. This has increased and improved the level of real estate services to HCA by providing a larger resource pool, enhancing the range of services and expertise to respond to real estate issues, and decreasing the need for out-sourcing. Additional cost savings have been realized through streamlined practices that eliminated duplication of activities.

- *Assume responsibility for and provide corporate real estate services to County agencies/departments*

At the direction of the County Executive Officer, and approved by the Board of Supervisors, County Corporate Real Estate was transferred from the County Executive Office to RDMD/Internal Services in July 2006. With that transfer came responsibility for implementing the Facilities Master Plan, and providing corporate real estate services to County agencies/departments. RDMD/Corporate Real Estate will face many challenges in 2007 relative to providing corporate real estate support, including developing and implementing training programs; writing training manuals and corporate real estate policies and procedures; developing standardized solicitation and contract documents; providing consulting services on real estate transactions and issues to other County agency/department real estate staff; developing maintenance, acquisition, and disposition standards for County-owned assets; working with agencies/departments to develop short- and long-term plans for County real estate operations; establishing systems and compliance programs for ensuring that County real estate transactions are in the best interests of the County both financially and operationally; and working with the Human Resources Department to develop policies and procedures for ensuring the availability of quality, experienced real estate personnel in the County.

RDMD/Corporate Real Estate will also strive to create a cohesive County real estate environment, with all agencies/departments working toward common goals. Toward this effort, Corporate Real Estate will hold regular forums with agency/department real estate management and staff to bring all County real estate staff together to learn and share information.

In addition, Corporate Real Estate will handle the non- multi-agency/department-specific real estate transactions and will handle or assist in the handling of the most complex and politically sensitive County real estate projects as assigned by the County Executive Officer.

- *Evaluate County storage facility needs and the building located at 1119 Chestnut Street, Santa Ana*

The County continues to require additional space for the storage of files and paper documents. This was identified in the Facilities Master Plan, as a high priority issue for the County. Working with CEO/Information Technology, Internal Services/Real Estate and Asset Management Division will begin the process of evaluating current and projected document storage needs while determining if the building located at 1119 Chestnut Street can be utilized to satisfy those needs in accordance with short-, mid-, and long-term plans. Internal Services will investigate the opportunity to reduce potential storage costs and improve services to County agencies requiring storage facilities.

- *Evaluate new parking access equipment at County parking facilities*

The Internal Services/Real Estate and Asset Management Division is responsible for daily operations at the County's 12 parking facilities, which generate revenue budgeted at \$7,649,941. During the next year, staff will issue a request for proposal (RFP) for the purpose of hiring a consultant to evaluate and recommend the procurement of a parking access control system to improve service, enhance parking revenue controls, and increase revenue. The process will include the establishment of a timeline for the installation and implementation of the recommended parking access control system and for the training of system users and operators.

- *Implement the Facilities Master Plan*

In 2005 the Board of Supervisors approved a contract for preparation of a County Facilities Master Plan. That plan was completed and submitted by RDMD/Corporate Real Estate to the Board of Supervisors for approval of 15 recommended actions in October 2006. Included in those recommended actions were the following directives to RDMD/Corporate Real Estate:

1. **County Real Estate Database (CRED)** – Complete and implement the database and develop and implement a plan and process for maintaining a space and occupancy inventory and asset management reporting functions;
2. **Santa Ana Parcel** – In conjunction with the Housing and Community Services Department, initiate discussions with CalTrans to explore the sale of the parcel, the joint development of the parcel with the adjacent CalTrans parcel, and other uses for the parcel;
3. **Building 16** – Prepare development plan options for refurbishment and an optimal site plan with recommended occupancies and estimated construction and facility operation costs for building 16 in the County Civic Center;
4. **South Justice Center** – Consult with County agencies/departments to ascertain if there are space requirements that may be met in new facilities developed on the site, analyze the potential uses and revenue sources that may be developed from the site, negotiate with the City of Laguna Niguel on sale of land for a city hall, and obtain preliminary entitlements for two office buildings on the site;
5. **El Toro Site** – In conjunction with the County Executive Office, prepare solicitation documents for selection of a consultant to develop options and estimated costs and revenues for potential uses of the 100-acre site on the former El Toro MCAS;
6. **Document Imaging** – In conjunction with the County Information Officer, conduct a study of current and potential document imaging by agencies/departments; develop findings, recommendations and priorities for County document imaging; and prepare an optimal site plan for a new storage facility at 1119 Chestnut Street, Santa Ana;
7. **County Operations Center/Animal Care Center** – Coordinate with the Health Care Agency to update existing improvement and design plans and initiate site planning for relocating the existing Animal Care Center to the County Operations Center;
8. **County Operations Center (COC)** – Prepare a master plan for development of the COC to include certain operations currently located at the Fruit Street complex and the Animal Care Center and coordinate with the City of Santa Ana on potential uses of the vacated Fruit Street complex;
9. **Lease/Conveyance Buyouts** - Monitor all County real estate transactions with lease/conveyance buyout provisions to ensure the County's property interests are protected; and
10. **Facility Master Planning** - Monitor the progress of all County agency/department facility master planning activities, report to the Board annually on the status and updates to the County's Facilities Master Plan, and, in conjunction with the County Executive Office, form an agency/department Facility Master Planning Group to meet regularly to discuss projects and facility planning within the agencies/departments and to exchange ideas that would be useful in maximizing the implementation and benefits of the County's Facilities Master Plan.

RDMD/Corporate Real Estate will face a major challenge implementing these Facilities Master Plan recommendations approved by the Board with its existing resources.

Regulatory Issues related to Internal Services Planning and Operational Activities - The last several years have witnessed a significant increase in the number of mandates and regulations that impact the operations of Internal Services. In particular, more restrictive regulations related to underground tanks, hazardous waste, air quality and water quality have necessitated the review of all policies, procedures and projects in Transportation, Facilities Operations, Publishing Services and Architecture and Engineering Project Management to ensure strict adherence to applicable regulations. Compliance issues include the monitoring and control of all hazardous material, registration of certain equipment, maintenance of valid operating permits, disposal of regulated materials, and best management practices related to air and water quality.

Multiple regulatory agencies provide compliance oversight to County operations, including the U.S. Environmental Protection Agency, California Environmental Protection Agency, California State Water Resources Control Board, South Coast Air Quality Management District, and various municipal fire departments. Regulatory compliance is mandatory with fines and penalties levied against non-compliant agencies. To more effectively address operational regulations, Internal Services has established an Office of Standards and Compliance that is in charge of establishing a data base of permits and licenses necessary to keep facilities and activities under the purview of Internal Services in operation and in compliance with all applicable mandates. The unit will also monitor new rules and regulations that are applicable to Internal Services activities.

Capital Projects - Considerable challenges associated with major capital projects are also anticipated in the coming year.

RDMD will identify and evaluate areas in project management that will result in cost savings and/or accelerated service delivery. Through the use of an outside contractor, RDMD will establish a project management training and certification program with a focus on both general courses and those that are tailored to County processes and projects.

The County, in partnership with the State, is committed to building a new South County Courthouse. Work on a limited first phase design package is already complete. RDMD is working with the State in the exploration and identification of funding and design options. RDMD successfully promoted legislation that will allow this project to utilize a "design-build" approach for its construction. This construction method allows the County to award a contract for both the design and construction to the same contractor (with appropriate sub-contractors) based on a set of general plans and specifications, thereby eliminating the need for a separate public works bidding process for the construction phase after design is completed. While not suited for all types of construction projects, when employed under the proper circumstances, this process allows for a more efficient project implementation.

Contracts have been awarded for the construction of the Cogeneration plant at the County's Central Utility Facility and for equipment to operate the plant. During 2007, construction will begin on this project with implementation targeted for 2008.

Additionally, as a result of negotiations with the Orange County Transportation Authority, the County is taking all necessary steps to relocate various RDMD operations that are currently housed at the Katella Yard facility.

One particular issue is the relocation of the Agricultural Commissioner's operation. Costs associated with the Agricultural Commissioner are funded from the General Fund. Although State revenue and fees are generated to fund operational costs, not all costs are offset by these funding sources and Net County Cost is incurred in the Agricultural Commissioner's operation. Costs associated with moving this operation and additional operational costs that are incurred as a result of the move may require General Fund contributions since revenues and fees from the other operations at Katella Yard most likely cannot be used to fund Agricultural Commissioner activities. However, specific funding has been identified as part of the sales proceeds of the Katella Yard for relocation of the Yard. This funding may mitigate the need for General Funding regarding the Agricultural Commissioner's relocation.

Resources

As noted earlier, Internal Services is comprised of several budget units. Total staffing for Internal Services is 338 positions. The total budget is \$80.9 million. Revenue amounts to \$45.3 million, mainly reflecting charges to other funds, with \$35.6 million in Net County Cost from Facilities Operations and Utilities. Net County Cost is a key concern in this core business due to the pressure to provide needed services that must be funded largely from very limited general purpose revenue. As new long-term programs are proposed and requirements identified, revenue sources must be identified to support these programs.

The Transportation Fleet Management Services Division operates financially as an Internal Service Fund. This is a self-balancing fund with expenditures offset by revenue received from County agencies/departments that receive services from the division. One area of concern is the replacement of County vehicles, which cost significantly more than the original cost of the vehicles being replaced. Specifically, in 2007 the Transportation Fleet Management Services Division will monitor the current vehicle replacement funding methodology to ensure that funds collected, when combined with the proceeds from the sale of the replaced vehicles, are sufficient to pay for the increased cost of replacement vehicles. Additionally, the division will develop and implement policies to collect the remaining depreciation costs for vehicles that are replaced before they are fully depreciated due to those vehicles reaching their mileage lifecycle prematurely.

Strategies for Meeting Challenges and Accomplishing Goals

- Continue to seek opportunities for bond financing, State and Federal subsidies and grants, and energy provider incentives to implement energy cost savings programs.
- Continue to update fees to recover increased employee and operating costs and identify new revenue-generating opportunities such as advertising on parking structures.
- Establish a project management training and certification program for RDMD with a focus on both general courses and those tailored to County processes and projects.
- Implement an Office of Standards and Compliance reporting to the IS Director with goals to establish uniform approaches to capital project administration, budgeting, reporting and training within RDMD and to establish regulatory compliance standards and procedures to ensure compliance and timely reporting and submission of permit applications.
- Implement replacement and succession planning strategies, while evaluating organizational structure, in preparation of ensuing impacts from the enhanced retirement plan and new administrative management classification structure that became effective in July 2005.
- Develop assessment plans for querying clients regarding document storage requirements and develop plans for evaluating storage facilities, including using both internal and external experts.
- Begin the process for acquiring new parking access and control equipment, including establishing a project timeline for vendor selection and installation and implementation of and training on the selected system.
- Work closely with agencies/departments and the CEO to begin implementing the Facilities Master Plan to develop real estate priorities for the County, to monitor the progress of facilities planning in the County, and to keep the Facilities Master Plan updated.

Primary Outcome Measures

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Average percentage of time fleet vehicles are available for use by agencies and departments.	93%	93%	93%	94%
Why: Indicates quantitative support to County agencies/departments and operations by operating and maintaining the vehicle fleet.				
What: Percentage of fleet users rating the quality of the vehicle fleet and service provided as good or excellent as reported in a valid survey.	95%	95%	95%	95%
Why: Indicates customer satisfaction with support to County agencies/departments and operations by operating and maintaining the vehicle fleet.				
What: Actual operating cost per mile for the active fleet listed in the fleet management information system maintained by the Transportation Fleet Management Services Division.	\$1.26	\$1.43	\$1.52	\$1.46
Why: Indicates efficiency of support to County agencies/departments and operations by operating and maintaining the vehicle fleet.				

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Number of alternative fuel vehicles in the fleet.	31	40	35	40
Why: Indicates the increasing number of vehicles in the County fleet that use alternative fuel.				
What: Percentage of Publishing Services jobs completed and delivered on time.	98.4%	97%	97%	97%
Why: Indicates efficiency of support to County agencies/departments and operations by Publishing Services.				
What: Percentage of Publishing Services jobs completed to the satisfaction of requesting customers as reported in a valid survey.	100%	97%	99%	97%
Why: Indicates customer satisfaction with support to County agencies/departments and operations by Publishing Services.				
What: The total annual cost of the building operations and maintenance for the civic center complex divided by the total number of building square feet in the Civic Center complex.	\$4.88/cost per square foot	\$4.75/cost per square foot	\$4.50/cost per square foot	\$4.75/cost per square foot
Why: Indicates efficiency of support to County agencies/departments and operations by operating and maintaining facilities.				
What: Percentage of building users rating the quality of the building operations and maintenance provided as good or excellent as reported in a valid survey.	96%	95%	90%	95%
Why: Indicates customer satisfaction with support to County agencies/departments and operations by operating and maintaining facilities.				
What: Percentage of customers rating the quality of Facilities Operations project management services as good or excellent as reported in a valid client survey	86%	95%	90%	95%
Why: Indicates customer satisfaction with project management services provided to County agencies/departments and operations				
What: Percentage of building capital projects completed on time.	80%	80%	80%	80%
Why: Indicates efficiency of support to County agencies/departments and operations in managing County capital projects.				
What: Percentage of capital projects completed within budget.	80%	80%	80%	80%
Why: Indicates efficiency of support to County agencies/departments and operations in managing County capital projects.				

Watershed & Coastal Resources Operational Plan

To achieve RDMD's goal of protecting water quality and the beneficial uses of streams and coastal resources throughout Orange County and complying with and enforcing water quality laws and regulations.

Clients

The clients of this core business include all County residents and businesses, as well as visitors seeking water-related recreational opportunities.

CORE BUSINESS: WATER QUALITY		
Clients	Service Needs	Services Provided
Residents, property owners, business owners, cities, special districts, environmental advocacy groups.	<p>Comprehensive solutions that address a broad range of issues in concert:</p> <ul style="list-style-type: none"> • water quality in streams, channels, harbors, bays, and beaches • control of urban runoff • reduction of sedimentation and erosion • habitat and species protection • coastal habitat and beach restoration • public education and recreation 	<p>Provide Orange County with beaches that are safe for water contact recreation and surface waters that support appropriate beneficial uses.</p> <p>Develop and implement regional water quality improvement strategies to protect water quality and the beneficial uses of streams throughout Orange County.</p> <p>Implement water quality programs to comply with the Clean Water Act for stormwater and urban runoff.</p>

Challenges

Stormwater and urban runoff from literally thousands of different sources generate numerous water quality issues. Rainfall runoff and dry weather nuisance flows travel through storm drains into the ocean, making contact with many contaminants along the way. The problem is complex due to the diversity of these contaminants, which include fertilizers, automobile fluids, animal feces, and eroded soil, and the diversity of sources from which they can originate. It is also complex for jurisdictional reasons, since surface waters flow across municipal boundaries. Therefore, a wide range of federal, state, city, private parties, and other local agencies need to be part of the solution. Ultimately, the individual behavior of every resident, business, and visitor is needed in order to prevent and control water pollution.

Regulatory Compliance - The Clean Water Act National Pollution Discharge Elimination System (NPDES) municipal stormwater permits require each municipality (1) to eliminate pollutants from stormwater to the maximum extent practicable and (2) to effectively prohibit non-storm discharges. NPDES permits hold the County, OCFCD, and cities responsible for the quality of water flowing through storm drains and require each to adopt a plan to improve water quality. The County established a collaborative program with the Flood Control District and all Orange County cities to maximize efficiency and share costs. Permits are issued for five-year terms in an iterative cycle: learning from the results of the program each cycle and increasing effectiveness. New five-year permits are scheduled to be adopted in early 2007 that historically increases the level of effort and significantly increases costs of the Permittees.

Another water quality mandate is Total Maximum Daily Load regulations, or TMDLs. When water quality standards are not achieved through other programs such as NPDES, TMDL regulations are issued by state and federal agencies for water bodies they have identified as impaired. In October 2006 the State Water Resources Control Board adopted a new list of impaired waters, as it does every three years. In Orange County the list increased from 44 to 77 impairments. TMDL regulations have been adopted for four of these impairments to date, with the remaining 73 to be developed over the next 13 years. Unlike the “maximum extent practicable” standard for the NPDES program, each TMDL imposes numeric discharge limits on all sources of a particular pollutant. As a result, TMDLs have the potential to be extremely expensive to implement. RDMD is leading regional cooperative efforts of regulated entities, stakeholders, and regulatory agency staff to improve the level of scientific knowledge upon which decisions about impairment are based and TMDLs are developed, and to ensure that economic policies required by law are appropriately applied.

Funding - These regulatory requirements are imposed on local jurisdictions without accompanying funding. For the cooperative NPDES program, costs are shared among the 36 Co-permittees. Cities and the County pay based on their population and land area, with OCFCD paying ten percent of the program. Similar cost sharing agreements have been developed for adopted TMDLs, TMDLs under development, and watershed-specific projects, studies, and programs. An aggressive program to secure grants provides funding for some two dozen major studies and capital improvement projects currently, but generally cannot be used for ongoing program costs or maintenance costs on capital projects.

Because the program has no direct source of funding, the County’s share of the program has had to compete with all other financing demands on the County General Fund. For over ten years the County’s share has been funded through a combination of General Fund, Flood Fund, Road Fund, and HBP Fund. General Fund contributions have ranged from \$400,000 in FY 2000-01 to \$3.1 million in FY 2006-07. The program has consistently been a Strategic Priority every year since 2000, which is a testament to the struggle the County has had in funding its share of the program. In the 2001 Strategic Financial Plan, OCFCD funding was allocated in lieu of General Fund monies. Each year since then, OCFCD has filled the gap between total program costs and total program revenue. The cumulative amount of this subsidy through FY 2006-07 currently totals \$19.7 million. As a result of the current funding allocation, OCFCD pays twice, its legitimate cost share plus a sizable portion of the County’s share, and over the long term this double burden will lead to delays in implementing flood protection projects.

Beach Postings and Closures - Bacteria sources are ubiquitous in the County, including, for example, natural areas, roads, storm sewers, and sewage collection and treatment facilities. Bacteria differ from other pollutants because they can multiply in the environment, even after treatment reduces their concentrations. Beach water quality standards rely on specific indicator species of bacteria whose relationship to human health risk has been called into question by recent scientific studies, and further studies will be expensive. The standards are the product of legislation, which makes them difficult to update. Compliance with these legislative standards to avoid beach posting requires a collaborative effort of cities and special districts within entire watersheds as well as control of other contaminants that appear to be related to bacteria concentrations, such as nutrients and trash.

Resources

Watershed & Coastal Resources is staffed by 43 positions and its FY 2006-07 budget is nearly \$23 million. It currently receives \$2.1 million in General Fund appropriations. As a result of the 2006 Strategic Financial Plan approved by the Board which ranked Water Quality as the Number 1 County Strategic Priority, CEO is recommending that the base General Fund allocation increase by \$1.3 million beginning in FY 2007-08. Even with this additional General Fund allocation, a subsidy of \$1.7 million or more will be required from OCFCD each year.

Strategies to Meet Challenges and Accomplish Goals

During FY 2007-08, RDMD will:

- Negotiate new area-wide municipal stormwater permits with both the Santa Ana and San Diego Regional Water Quality Control Boards.
- Seek new NPDES permit conditions founded on the strengths of the current program and improvement areas identified in the annual program effectiveness assessment.
- Implement a “three Watershed Management Area” concept for new partnerships between the County, cities, special districts, industry, and non-governmental organizations. The strategy will result in coordinated capital improvement development and nonstructural management practices at a scale that will be effective, practical to implement, and equitably cost-shared for each of three Watershed Management Areas (WMAs) in Orange County.
- Begin implementation of the South Orange County Integrated Regional Water Management Plan upon award of Proposition 50 grant funding.
- Expand the use of integrated regional water management planning countywide in order to develop multi-objective projects, build cost-sharing partnerships, and achieve efficiencies of scale.
- Work with OCTA on the uses of water quality funding from Measure M’s extension.
- Continue to search for alternatives to develop local revenue to fund watershed and water quality programs.
- Continue to solicit federal, state, and regional funding for watershed planning and infrastructure improvements.
- Implement an expanded and improved public education program for water quality including enhanced elements for targeted industries and municipal activities, youth, and mass media.
- Emphasize science as a basis for regulations and management actions.
- Continue partnerships with Southern California Coastal Water Research Project, Rivers & Mountains Conservancy, and California Stormwater Quality Association to promote good science.
- Secure remaining funding from Congress to complete construction of the Upper Newport Bay Ecosystem Restoration project by the Army Corps of Engineers.
- Continue to seek federal funding for projects such as Aliso Creek SUPER project and Serrano Creek stabilization.

Primary Outcome Measures

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Percentage of beaches meeting water quality standards.	Calendar year 2005: 99.2%	99.0%	Data pending for calendar year 2006	99.0%
Why: Indicates level achieved in protecting water quality and the beneficial uses of streams throughout Orange County, and enhancing coastal resources and surface water throughout Orange County.				
What: Number of enforcement actions taken by Regional Boards against County or co-permittees for stormwater violations.	0	0	0	0
Why: Indicates level of successful compliance with state and federal water quality laws and regulations.				
What: Cities rating of the County NPDES efforts as reported in a valid survey (5-point scale; 5 being the highest).	Biennial survey last conducted in 2004	4.2	3.90	4.2
Why: Indicates level of satisfaction of clients with competence and leadership of County on municipal Stormwater issues.				

Planning & Development Services Operational Plan

Safeguard the high quality of life in Orange County through stewardship of the environment, application and enforcement of building, water and grading regulations, and planning of strategically balanced communities.

Clients

Planning & Development Services' (PDS) clientele is comprised of three principal groups: resident and property owners, private project applicants, and public agencies, including all County departments as well as other outside public agencies within the unincorporated areas.

CORE BUSINESS: PLANNING & DEVELOPMENT SERVICES		
Clients	Service Needs	Services Provided
Residents, property owners within the unincorporated areas.	Provide a safe living, working and recreational environment by requiring and enforcing the appropriate building, grading and construction standards.	Preparing plans and programs required by local ordinance and State law, including compliance with environmental regulations and code enforcement.
Private project applicants, including architects, engineers, contractors, individual homeowners and developers.	Provide assistance with development related issues.	Issue various applications necessary for land development, including use permits, building related permits, environmental compliance, grading and building inspection services.
Public agencies, including all County as well as other outside public agencies.	Provide services for the implementation of CEQA, NEPA and NCCP for public projects.	Manage environmental clearances for all public projects and coordinate County comments on projects proposed by outside public agencies.

Challenges

Projected Private Development Workload - PDS provides planning and development services to more than one-third of Orange County's geographic area. Build-out of major planned communities continues.

Development activities in the new communities of Ladera, and Newport Coast/Newport Ridge continued to decline through calendar year 2006 and are expected to decline even more in 2007. There will be some increased activity in Tonner Hills, Bolsa Chica and the RMV Ranch Plan. Both PDS' Land Use Planning and Building & Safety Divisions provide services as projects in these communities proceed through each phase of the development process.

Rancho Mission Viejo's significant land holdings in southern Orange County were approved for development by the Board of Supervisors in November 2004. It is expected that these entitlements will take more than 20 years to complete. It is anticipated that the permit activity in FY 2006-07 and FY 2007-08 will be low. This will require diligent attention as Planning's Building & Safety Fund 113 is a self-balanced fund with minimal reserves.

Code Enforcement - PDS clients also include individuals or groups with code enforcement related concerns. In order to efficiently respond to the high demand for code enforcement, in 2004, PDS created a Code Enforcement Section and hired three full time Code Enforcement Officers in addition to utilizing contracted services to eliminate case backlog and to provide supplemental ongoing support for peak enforcement activity.

County Islands - An important segment of PDS workload calls for providing services to County islands, unincorporated areas of the County that are completely or partially surrounded by cities. Projects in these geographic areas typically require more community outreach and coordination with other public agencies. Use Permits and other discretionary permits for development in these areas make up a portion of the PDS caseload. Building-related permits (e.g., structural, plumbing, and electrical) contribute to the caseload of the Building Permits and Building Inspection Divisions. Zoning, Nuisance Abatement and other County code violation investigations for properties located within the County islands generate a significant portion of the code enforcement workload.

Housing Element - Housing Element law requires jurisdictions to review the Housing Elements of their General Plan as frequently as appropriate, but not less often than every five years. The Fourth Revision date for the County of Orange Housing Element has been extended to June 30, 2008. As a result, PDS will be requesting an augmentation for \$250,000 in their FY 2007-08 budget to commence the required update.

Land Use Planning- There will be intermittent support needed for Southern California Association of Governments (SCAG), Orange County Council of Governments (OCCOG), demographic related matters and support to the Board of Supervisors for legislated requirements. As a result, PDS will be requesting an augmentation for \$250,000 in their FY 2007-08 budget for consultant assistance.

Land Use Planning/Ranch Development- There will be intermittent support needed due to increased workload as development of the Ranch proceeds. This work will include discretionary permit processing, monitoring of compliance of conditions of approval, planning and regulatory support activities, and recreational element update. As a result, PDS will be requesting an augmentation for \$550,000 in their FY 2007-08 budget for consultant assistance.

Subdivision and Infrastructure/Ranch Development- On November 8, 2004 the Board approved the Ranch Plan development of 14,000 dwelling units and nonresidential use. Successful implementation of the Ranch Plan will require extensive processing, review and approval of various permit applications by the County. In recognition of this need, the Board approved Agreement D06-082 on October 31, 2006 to authorize the County, at RMV's expense, to receive staff assistance from consultants. The annual cost of using professional engineering assistance for review of plans relating to Ranch infrastructure (roads, bridges, flood, etc.) is estimated at \$200,000. In addition, there will be intermittent increases in workload for other development plans relating to the Ranch including subdivision and plan check. This amount is estimated at \$300,000 annually. Therefore, PDS will be requesting an augmentation for \$500,000 in their FY 2007-08 budget for consultant assistance.

Resources

The PDS workforce has been reduced by transfers, attrition and retirements due to declining workloads and revenues. PDS is currently staffed by 84 full-time equivalent positions assigned to two divisions: Building and Safety, and Land Use Planning. Total expenditures for PDS funds are budgeted at approximately \$16 million. Almost all of PDS's revenues are from time and material charges to applicants. The majority of PDS's costs are for personnel. Therefore, as planning and building applications continue to generally decline, staffing must be evaluated quickly in order to maintain a balanced fund.

Strategies for Meeting Challenges and Accomplishing Goals

- Continue to collaborate with the building industry to identify opportunities to utilize automation, training and other measures to more efficiently deliver service.
- Monitor and revise fees charged pursuant to the new Time and Materials Ordinance to ensure full cost recovery.
- Continue to use contracted services to respond to short-term peak demand for plan check and code enforcement.
- Continue to adjust the workforce in synchronization with declines in applications and revenue.

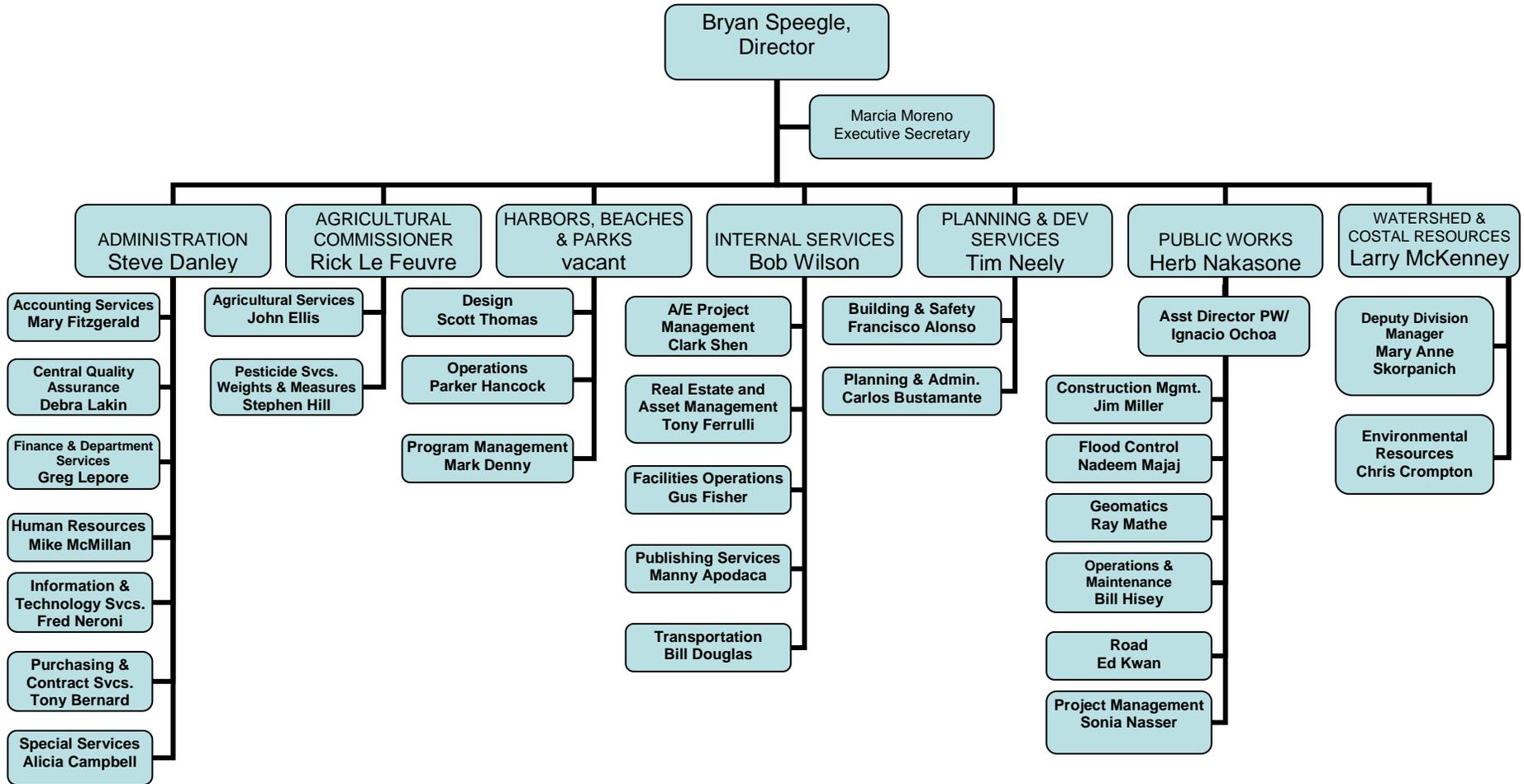
Primary Outcome Measures

Performance Measures	FY 05-06 Results	FY 06-07 Plan	FY 06-07 Anticipated Results	FY 07-08 Plan
What: Number of building and grading inspections requested.	38,945	N/A	34,000	34,000
Why: To establish workload needs and service efficiency.				
What: Percentage of inspections/ reviews performed within (1) one business day.	94%	95%	99%	99%
Why: To provide fair and efficient service to clientele.				
What: Number of cases closed by Code Enforcement.	835	843	850	780* *Case backlog eliminated.
Why: To protect public from threats to safety.				
What: Percentage of plan checks performed within 15 business days.	63%	90%	90%	90%
Why: To ensure prompt and effective client services.				

IV. APPENDICES

Appendix A - *Organization Chart*

Resources & Development Management Department



Appendix B - *Major Accomplishments*

RDMD was extremely productive in 2006 as we continue to ensure that Orange County residents and businesses are provided the public services and infrastructure necessary to assist in meeting their economic, environmental, and recreational goals. RDMD is very proud of our accomplishments over the past year and the measurable benefits that have been created in the quality of life. A small sampling of our major accomplishments in 2006 by organizational Function include:

Road Program:

Road Program Grant Administration

RDMD prepared and submitted 21 applications under the Combined Transportation Funding Program (CTFP) requesting approximately \$35.4 million from transportation-related grant programs such as Measure M (local sales tax funds) and Regional Surface Transportation Program (federal funds) for current and future (FY's 2005 through 2010) road and bridge projects. These are highly competitive grant programs; RDMD was successful in getting 17 applications funded for a total of \$18.1 million of Federal and Measure M grants, including the Arterial Highway Rehabilitation Program (AHRP), which is a component of the CTFP.

Laguna Canyon Road Realignment between SR-73 and I-405

Construction on this cooperative project between CalTrans and the County of Orange began in January, 2003. In October 2006, a ribbon cutting ceremony was held at James Dilley Greenbelt Facility to commemorate the opening of the newly realigned portion of the highway. The historic roadway has been completely cleared and graded in preparation for the upcoming Wetlands Mitigation project. As of November 2006, the project is approximately 95% complete. The roadway construction contract is expected to be completed by February 2007.

Edinger Avenue Bridge over Bolsa Chica Channel

The Edinger Avenue Bridge over Bolsa Chica Channel is the only access to the Sunset Aquatic Park. In recent years the asphalt/corrugated metal bridge deck developed holes and the loss of capacity due to corrosion of the corrugated metal in the saltwater environment. Eventually it became necessary to replace the entire bridge deck. The new bridge deck restores the bridge deck to its previous functionality. Work on the project began in April 2006 and was completed in June 2006.

Glassell Street Bridge over the Santa Ana River

The widening of the Glassell Street Bridge over the Santa Ana River widened the existing bridge to ultimate primary arterial highway standards. The project included the addition of sidewalks, street lights and striped bikeways. Previously, no sidewalk or street lighting existed along the 963 foot long bridge and the existing metal beam guard rail railing did not meet current high

Internal Services:

❑ Sale of Katella Yard and Relocation of County Operations

RDMD completed the multi-million dollar sale of our Katella Yard facility which houses several critical county operations: Operations & Maintenance, Survey, Watershed, and Agricultural Commissioner. These properties were sold at CEO and Board request to the Orange County Transportation Authority, who working in conjunction with the City of Anaheim, will build a regional transportation facility. Even more difficult and critical to continuing operations, RDMD located and negotiated agreements for the purchase of two replacement properties in the City of Orange that improve the County's space requirements and better meet its operational needs. The Board of Supervisors approved both the sale of the Katella Yard and purchase of the replacement properties.

❑ Preventive Maintenance Program

In order to prevent the continued deterioration of County facilities and the resulting hardships associated with building/system shutdowns, RDMD has developed and implemented a preventive maintenance (PM) program that has been a County Strategic Priority. The program is designed to improve stewardship of publicly owned buildings and avoid unnecessary costs through a decrease in the number of emergencies associated with neglected systems. In October 2003, a four-person team began working a swing shift as the initial phase in the program and the results have been favorable. Two existing positions were reallocated to the PM program in FY 2005-06. This team was further expanded in the FY 2006-07 budget to include eight additional positions and \$1.4 million for preventive maintenance contracts. The PM team is utilizing data provided by the Computerized Maintenance Management System (CMMS), which provides profiles of the systems and their components that comprise the building infrastructure and the maintenance histories for those components. The system also provides industry standards for preventive maintenance of building infrastructure, which is being used to focus and direct the activities of the PM team. RDMD prepares a report which is submitted to the CEO each fiscal year documenting achievements of the PM program and the resultant cost savings.

❑ Strategic Energy Plan

In April 2001, the Board of Supervisors adopted a Strategic Energy Plan designed to address energy issues related to reliability, cost containment/stability, self-sufficiency and conservation. Over the last year, RDMD has continued to make significant progress on various energy initiatives identified in this plan. One of the County's mid-term self-sufficiency projects includes converting the existing Central Utility Facility (CUF) into a Cogeneration plant that will provide electrical power and energy for heating and cooling County-owned and serviced buildings in the Civic Center area. During the past year contracts were awarded for the construction of the Cogeneration plant and for equipment for the plant. Additionally, in the last year, various energy efficient projects were completed, including retrofitting major facilities with energy-saving lighting and ballasts and installation of Direct Digital Control (DDC) controls in the Public Defender's Headquarters and Engineering/Finance buildings, and connection of the micro turbines at the County Operations Center to the Data Center for base electrical service is underway.

Flood Control

❑ Prado Dam Project and Lower Santa Ana River

The Prado Dam Project represents the last major and most significant flood control improvement planned for the Santa Ana River. The project will raise the dam embankment and spillway and construct new outlet works (larger gates for releasing storm water). When complete, Prado Dam, in conjunction with the recently constructed Seven Oaks Dam and with improvements to the lower Santa Ana River, will provide flood protection and long-term relief from flood insurance requirements to a significant number of Orange County residents.

The Army Corps of Engineers, in cooperation with the OCFCD, awarded a construction contract for the Prado Dam embankment and outlet works in February 2003. Construction is expected to last through August 2008. During FY 2006-07, the OCFCD continued to acquire property for the Prado Dam Project, including the purchase of 537 acres behind the dam, and the Green River Golf Course for construction of bank improvements along the State Route 91 and for mitigation of erosion impacts downstream of Prado Dam. CourseCo Inc. was retained to operate the Green River Golf Club on behalf of the OCFCD. Installation of landscaping along the Santa Ana River downstream of Prado Dam was also continued during 2006.

In addition, the Army Corps of Engineers awarded contracts for construction of two dikes located in the City of Corona to protect facilities which would be impacted by the increase of the Prado Dam Reservoir once all property rights are acquired for this increase and dam spillway is raised.

❑ Fullerton Creek Hazard Mitigation Grant Program (HMGP) Grant Approval

Public Works' Flood Control and Operations and Maintenance Divisions' \$3.1 million application to Federal Emergency Management Agency's Hazardous Mitigation Grant Program (HMGP) for the OCFCD Fullerton Creek Channel Improvement Project was approved. With the grant funding, OCFCD proposes to upgrade the drainage facilities in Fullerton Creek to alleviate flooding up to and including a 100-year runoff event, and to provide for public safety and to protect public property in the vicinity of the urban residential community in Buena Park. The proposed project involves improving existing facilities and constructing small-scale hazard mitigation measures in existing developed areas with substantially completed infrastructure. The County anticipates starting construction by April 15, 2007 with completion estimated for November 15, 2007.

❑ San Diego Creek Channel - Flood Protection Project

The Lower San Diego Creek Channel between Jamboree Road and the San Diego Freeway (I-405) was originally constructed in the 1960's to provide flood protection for the Cities of Newport Beach and Irvine. The San Diego Creek Channel is the largest tributary that drains into Upper Newport Bay, a major ecological and recreational aquatic resource. Dense vegetative growth and sediment accumulation have significantly reduced the creek's capacity below the 100-year level of flood protection and poses a flood threat to the Irvine Ranch Water District's (IRWD's) Michelson Water Reclamation Plant along with other structures including a disabled residential care home and a church complex. In December 2003, the Orange County Board of Supervisors authorized emergency work to clear the vegetation and remove the accumulated sediment. A portion of the intended vegetation and sediment removal was accomplished but work was halted due to regulatory constraints. Subsequent efforts to secure approval for completing the flood protection work have been challenging. Litigation was filed against the County and the Orange County Flood Control

District (OCFCD) further complicating the completion of needed maintenance. Mitigation for the 2003 flood protection emergency work has been negotiated with the Army Corps of Engineers, the US Fish and Wildlife Service and the California Dept of Fish and Game. The OCFCD needs to complete one-time flood protection work in early 2007 and is awaiting regulatory permit approvals for this project. Subsequent to the 2007 work, a long-term, comprehensive restoration, operations and maintenance plan will be developed along with the required environmental documentation (EIR/EIS) and the necessary permits for on-going flood protection work along San Diego Creek Channel.

❑ Poche Beach Pedestrian Accessway

The purpose of this project was to enhance pedestrian safety by supplementing the underground portion of the existing access way beneath El Camino Real by allowing pedestrians the option of crossing El Camino Real using an existing at-grade pedestrian crosswalk. The work accomplished consisted of constructing an at-grade access walkway to Poche Beach from the southeasterly corner of the intersection of El Camino Real and Camino Capistrano in the City of San Clemente. A CalTrans barrier and raised sidewalk was constructed across the bridge over the Prima Deshecha Cañada Channel from the westerly end of the existing crosswalk. A concrete stair and walkway was constructed down the embankment to the existing in-channel access way.

Watershed & Coastal Resources

❑ Orange County Stormwater Program

2006 was the fifth year of the five-year stormwater permits issued to the County, the Orange County Flood Control District, and all 34 cities in the County. Over the past five years, substantial revisions were made to the program in order to meet the requirements of the NPDES permits issued in 2002. Significant new components of the program included 34 Local Implementation Plans, a formal training program, a program effectiveness assessment, and seven Watershed Action Plans. Two highly interdependent planning processes were developed targeting the control of pollutants in urban runoff and studies were completed to evaluate the effectiveness and applicability of various source control and treatment control Best Management Practices. The legal authority of the Permittees to enforce their programs was successfully validated by independent administrative and trial court reviews. A Model Municipal Activities program was developed and implemented for 2,055 municipal facilities; new Model Integrated Pest Management Guidelines reduced municipal fertilizer and pesticide use; and an performance reporting program confirmed the increased effectiveness of street sweeping and trash and debris collection practices.

The public education program created over 103,000,000 media impressions in FY 2005-06. Data were gathered documenting that the program produced measurable and positive changes in public awareness and behavior over the three year period of the public education program. Over 558 Water Quality Management Plans were reviewed and approved for new development. Some 1,305 enforcement actions were taken against construction projects found to be violating water quality regulations. Over 30,000 commercial and industrial facilities have been subject to review for water quality regulations, uncovering 2,158 violations for which enforcement actions were taken. The public increased its use of the hotline to report water quality concerns, totaling 4,386 complaints in FY 2005-06.

- ❑ South Orange County Integrated Regional Water Management Plan (IRWMP)
 Watershed and Coastal Resources was successful in leading the effort to write an IRWMP for South Orange County and submit a grant application for \$25 million for Proposition 50 funds. The IRWMP group of 23 partners includes the County of Orange and the 22 cities and special districts serving the water and wastewater needs of the southerly watersheds of the County. The \$25 million will partially fund the seven highest priority water resource projects from the IRWMP, one of which is the County-led Aliso Creek Water Quality SUPER (Stabilization, Utility Protection & Environmental Restoration) Project. This implementation project, identified in the Aliso Creek Watershed Management Study, is the result of more than ten years of partnering with the U.S. Army Corps of Engineers and stakeholders.
- ❑ Munger Drain Sand Filter Facility
 This project was funded by a State Proposition 13 grant as a demonstration project to evaluate the potential of sand filter technology in the removal of bacteria from urban runoff, and its corresponding protection of water quality in Aliso Creek. Construction of this water quality treatment facility was initiated in the fall of 2004. Several design modifications were implemented through the course of the construction period to facilitate system operability. System construction was completed in September 2006 and is now operational.
- ❑ Newport Bay Urban Nutrient Special Investigations
 The Newport Bay Urban Nutrient Project was funded by a State Proposition 13 grant to perform three special investigations that would provide guidance for implementing the Newport Bay Nutrient TMDL program: 1) a characterization of the nature and magnitude of nutrient loading from watershed urban runoff; 2) a performance evaluation of a vegetated wetland channel for nutrient removal; and 3) outreach and education of independent gardeners on responsible landscape fertilization practices in the watershed. The project was initiated in the fall of 2003; field work was successfully conducted during the summer and fall of 2004, with analysis and reports for each of the investigative efforts completed in the spring of 2006.
- ❑ Upper Newport Bay Ecosystem Restoration Project
 Phase I of this project has began construction to move approximately 2.3 million cubic years of sediment, 90% of which will be placed at the LA-3 offshore disposal area. The State of California awarded a \$13 million grant for the local cost share. Additional federal funds need to be allocated by Congress to complete construction.

Planning & Development Services

- ❑ Successful Mitigation of 2006 Building & Safety Workload and Revenue Decreases
 In FY 2005-06, PDS sustained continuing decreases in workload which necessitated quick remedial action to self-balanced Building & Safety Fund 113. RDMD quickly identified the issue well before it became a deficit, identified solutions, meet and conferred with employee unions with the County Executive Office, and implemented several cost savings reductions and employee transfers to other parts of the organization. Every Function of RDMD assisted in mitigating this situation which resulted in successful resolution to the situation and resulted even in a modest increase to reserves at fiscal year end.
- ❑ PDS Time & Materials (T&M) Ordinance update
 RDMD submitted for approval an ordinance that establishes a revised and updated time and materials deposit and fee structure for Building & Safety Fund 113 plan check and permit

inspection services, and planning services performed by RDMD/Planning & Development Services staff in Fund 100 Agency 080. The first reading of the Ordinance was approved by the Board in December 2006; the second and final reading to adopt this ordinance, will be heard by the Board in January 2007.

☐ Rancho Mission Viejo “Ranch” Development Plan and Development Agreement

Traffic Engineering has developed a new road fee program, the South County Roadway Improvement Program (SCRIP), and negotiated roadway benefits in excess of \$145 million for various roadway improvements in south Orange County as part of the new Rancho Mission Viejo Ranch Development Plan and Development Agreement. In addition, the County secured a significant amount of road right-of-way for the La Pata Avenue and other road projects, at no cost to the County of Orange. This is a long-term project which will require ongoing negotiations with Rancho Mission Viejo Company.

Harbors, Beaches & Parks (HBP)

☐ Park Ranger Citation Authority

This new program designed to improve the protection of natural resources and the safety and enjoyment of park visitors was approved by the Board for full implementation effective January 2, 2006. Following the first year of implementation RDMD will be reporting to the Board on the results of the program, including recommending any improvements deemed appropriate, in early 2007. Implementation efforts were substantial and necessitated excellent cooperation between HBP, RDMD/HR, Central Human Resources, Board of Supervisors, and employee associations.

☐ HBP Capital Projects Fund 406

At Board direction, a new HBP Capital Fund 406 was established for monitoring and tracking of the 5-year HBP Deferred Maintenance and Capital Program Plan. This new Fund will now include all future HBP capital projects, with the original HBP Fund 405 to be used for operating costs and revenues into the future. This budgetary separation of the HBP operating and capital programs will result in improved clarity of the fiscal condition of these respective programs for the public and policy makers.

☐ Harbors, Beaches & Parks Strategic Plan

RDMD, in conjunction with a strategic plan consultant team and input from public and private stakeholders, has undertaken the development of a Strategic Plan to vision the future of the County Harbors, Beaches & Parks system (Phase I), strategize the financial and operational accomplishment of that vision (Phase II), and develop specific action plans to implement these goals (Phase III). The Board has provided guidance midway through this process and HBP is adjusting its planning processes to meet Board direction.

☐ Peters Canyon Channel Trail Undercrossing

The bicycle and trail undercrossings project, currently under construction, is located in the City of Irvine and is a joint project between the Orange County Flood Control District, HBP, and the City of Irvine. The proposed trail undercrossings will link city trails with HBP master-planned trails and also provide adequate flood control channel capacity under the Barranca Parkway Bridge. The project will provide two undercrossings, one on each side of the channel. The west undercrossing is for multi-use trail purposes while the east undercrossing is for bikeway purposes. The limits of the undercrossings are approximately from 410 feet upstream to 410 feet downstream of the Barranca Parkway Bridge along both

sides of the channel. The undercrossings will consist of 12-foot wide concrete ramps extending under the existing bridge at Barranca Parkway. The bikeway and joint maintenance road paving element of the project will install 3,557 feet of bike trail pavement on the eastern maintenance road.

Agricultural Commissioner

☐ Pierce's Disease Control Program

The County Agricultural Commissioner (RDMD) serves as the coordinator of the Pierce's Disease Control Program that provides inspection of nursery stock moving from infested counties to avoid the spread of glassy-winged sharpshooter. The majority (98%) of shipments from regulated southern California nurseries have been free of this insect.

RDMD Administration

☐ Implementation of new Information Technology Applications

- Implemented the Weights and Measures Wireless Inspection and Reporting System for the Agricultural Commissioner by utilizing wireless laptops and printers in the field. This technology has increased the inspectors' field performance by improving productivity, data accuracy, and reporting, as well as increased efficiency and record keeping within the administrative section.
- Design and implementation of new budget automation forms system which will allow electronic compilation and creation of important budgeting reports for use in the FY 2007-08 budgeting process. RDMD is currently in final debugging stages and will be ready for full implementation in December 2006. Accomplishment of this new application will result in significant increased productivity for both Function budget preparers and for Administration Budget Analysts, as well as allow management to utilize important data mining and reporting tools to make important business decisions.
- Implemented wireless connectivity and web accessible video feed for the Seven Oaks Dam facility, to allow remote viewing via the internet of the control room, dam spillway, and dam measurements for surrounding cities, counties, and the Army Corp of Engineers.
- Automated the interface to process refund check distribution between the Planning Departments Automated Permitting & Planning System and the Advantage Financial System, saving \$30,000 annually in labor costs and decreasing the time for returning refund checks to the public.
- Implemented a major network infrastructure change with a new a wireless point-to-point installation for Nix Nature Center, reducing monthly telecommunications cost, and increasing application speed and access reliability for the park rangers and the public that they serve at this facility.
- Implemented the new off-the-shelf Training Partner software package for employee training, development, and certification reference.
- Performed major modifications to the Publishing Services Automated Request application to allow the processing of document service requests from select Orange County cities.

- ❑ Implementation of Capital Project Management Classification
 This year RDMD received final approval from the Board and has begun implementation of a mission critical change in the manner in which it manages capital projects. For the last few years, RDMD has been the driving force in developing a new methodology/system for the managing of capital projects in its Public Works Function. Capital Projects will now be assigned to one Project Manager who will see the project through from cradle to grave. In order to implement this proposal, all RDMD Functions cooperatively worked together to revise their organizational structures to make possible this new approach. In addition, the proposed new classification series impacted Project Management activities in several other County Departments: Sheriff, IWMD, Housing, John Wayne Airport. RDMD is now in the process of establishing a Standards & Compliance section in its Internal Services Function that manages County facility projects, and establishing a new Project Management Division within Public Works to manage capital projects for its Road and Flood Control Programs.
- ❑ Re-establishment of Fee Program
 RDMD has over 300 fees which must be periodically updated to ensure cost recovery per Board policy for the services it provides. Due to more pressing needs elsewhere in the organization, and as a result of responding to retirements, this program was dormant for a short period of time. RDMD has successfully recruited for a new fee analyst and several critical fee reviews have been conducted and are or will be implemented in the near term.
- ❑ Loaning of Administrative Staff for County-wide Initiatives
 RDMD staff have long been identified as County experts in the administration field. As such, the County Executive Office often calls upon RDMD staff to assist in the visioning, development, and implementation of new County-wide strategic initiatives in administrative areas such as IT, Human Resources, Purchasing, Finance, Records Retention, etc. During 2006 and beyond, RDMD has loaned several of its top managers to assist in these initiatives, providing critical operational and implementation advice to ensure these new initiatives meet their intended goals and are accomplished in the most cost effective and efficient manner.
- ❑ Response to Increased Retirements
 RDMD retirements the past three years have increased substantially since the institution of new employee retirement programs. As a result, RDMD has taken the lead in developing and implementing succession planning strategies for ensuring the effective and efficient operation of the department. All of RDMD Function Directors, as well RDMD Human Resources staff, has made deliberate and significant strides in addressing the department's need to fill its vacancy with quality candidates.
- ❑ 2006 County United Way Campaign
 RDMD was the lead Department in 2006 for County United Way Campaign. RDMD staff from all parts of the organization banded together to create an impressive, creative, fun, and successful campaign to raise funds for those less fortunate in our community. Examples of quality events included the Leadership Breakfast at the Anaheim Convention Center, County Family Day-at-the-Park at Irvine Regional Park, Golf Tournament at the newly acquired Green River Golf Course, and the annual Civic Center Rally.

Appendix C - *Management Team*

Management Team	Position Title
Bryan Speegle	Director, RDMD
Rick Le Feuvre	Director, Agricultural Commissioner / Sealer of Weights and Measures
Parker Hancock	Interim Director, Harbors, Beaches & Parks
Bob Wilson	Director, Internal Services
Steve Danley	Director, Administration
Herb Nakasone	Director, Public Works / Chief Engineer
Ignacio Ochoa	Asst. Director, Public Works / Chief Engineer
Larry McKenney	Director, Watershed & Coastal Resources
Mary Anne Skorpanich	Deputy Division Manager, Watershed & Coastal Resources
Tim Neely	Director, Planning & Development Services
Nadeem Majaj	Manager, Flood Control
Raymond Mathe	County Surveyor, Geomatics
Ed Kwan	Manager, Road Program
Bill Hisey	Manager, Operations & Maintenance
Jim Miller	Manager, Construction Management
Sonia Nasser	Manager, Project Management
Mark Denny	Manager, Program Management and Coordination, HB&P

Appendix D - *Business Plan Team*

Management Team	Position Title
Bryan Speegle	Director, RDMD
Rick Le Feuvre	Director, Agricultural Commissioner / Sealer of Weights and Measures
Parker Hancock	Interim Director, Harbors, Beaches & Parks
Bob Wilson	Director, Internal Services
Steve Danley	Director, Administration
Herb Nakasone	Director, Public Works / Chief Engineer
Ignacio Ochoa	Asst. Director, Public Works / Chief Engineer
Larry McKenney	Director, Watershed & Coastal Resources
Mary Anne Skorpanich	Deputy Division Manager, Watershed & Coastal Resources
Tim Neely	Director, Planning & Development Services
Nadeem Majaj	Manager, Flood Control
Raymond Mathe	County Surveyor, Geomatics
Ed Kwan	Manager, Road Program
Bill Hisey	Manager, Operations & Maintenance
Jim Miller	Manager, Construction Management
Mark Denny	Manager, Program Management and Coordination, HB&P
Pamela Middlebrook	Manager, Public Works
Liz Jewell	Manager, Planning & Development Services
Greg Lepore	Manager, Finance & Department Services
Susan Eastman	Administrative Manager I, Finance & Department Services