

Orange County Grand Jury

2023 – 2024

Final Report





ORANGE COUNTY GRAND JURY

700 CIVIC CENTER DRIVE WEST • SANTA ANA, CALIFORNIA 92701 • 714/834-3320
www.ocgrandjury.org • FAX 714/834-5555

July 1, 2024

The Honorable Maria D. Hernandez
Presiding Judge, Superior Court of California, County of Orange
700 Civic Center Drive West
Santa Ana, California 92701

Dear Judge Hernandez:

It is with honor and respect that I present to you the Orange County Grand Jury Final Report, for the 2023-2024 term. As you know, all Grand Jury reports are prepared by a well-recognized team that provides the County and its residents with a look into the operations of their government and the Final Report combines all those reports into one volume. The current Grand Jury is an exceptional group of individuals, with outstanding life experiences and careers. They were able to accomplish their responsibilities with exceptional talent and most importantly, with the support and backup from Superior Court staff members.

The Grand Jury administrative support staff are the unsung heroes. The Grand Jury recognizes Joyce Mwangi and Liza Valenzuela for their hard work and dedication to the Grand Jury. They kept us informed on current court policies and were always a great resource to the Grand Jury.

The 2023-2024 Grand Jury reports covered a wide range of current subject matter affecting those who live, work, and visit Orange County, including e-bikes, mental health related law enforcement calls for service, water supplies and waste-water handling, recyclables and organic waste, the use of artificial intelligence in public schools, and a review of the Assessor's Office. Grand Jury members conducted many interviews and tours, to assist in their report investigations, so we give a very big thank you to Sheriff Don Barnes and the deputies of the Orange County Sheriff's Departments transportation unit for their help. The Grand Jury also extends their thanks and appreciation to Deputy County Counsel, James Steinmann, who was always ready to field our questions and concerns, whether it was during the day or after hours.

Additionally, this Grand Jury devoted a combined 18 days to hearing 12 criminal indictments brought by the Orange County District Attorney's office.

The Honorable Maria D. Hernandez

July 1, 2024

Page 2 of 2

Members of the District Attorney's staff that conducted our Criminal Indictment Hearings were professional and provided the Grand Jury members with insight of what takes place in their cases and investigations. Many thanks to Deputy District Attorney, Brett Brian and Deputy District Attorney, Billy Ha for their time and effort with the Grand Jury during those indictment hearings.

As I complete my "rookie season" as Grand Jury Foreperson, I want to extend my sincerest thanks to all my fellow grand jurors for making this a truly unique and enjoyable experience. Their support, and recommendations, during our term helped make this Grand Jury experience one of the best panels I have served on.

Respectfully submitted,



Michael J. Verrengia, Foreperson
2023-2024 Orange County Grand Jury

MJV:jm



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July 1, 2024

The Honorable Maria D. Hernandez, Presiding Judge
Superior Court of California, County of Orange
700 Civil Center Drive West
Santa Ana, CA 92701

Dear Judge Hernandez:

It is my pleasure to present to you the 2023-2024 Orange County Grand Jury's (OCGJ) summary of actions regarding California Penal Code section 919 (b) which requires the OCGJ to "inquire into the condition and management of the public prisons within the County." The 2023/2024 OCGJ fulfilled this mandate by visiting and inspecting the following detention facilities:

- Theo Lacy Jail
- Orange County Central Jail Complex (with Intake and Release Center)
- Juvenile Hall
- James A. Musick Facility (nearing completion of remodel)
- Santa Ana Jail

The basic criteria researched during these visits were:

- Incidents involving harm to or death of inmates
- Incidents of ineffective jail or prisoner management by staff – sworn and unsworn
- Effectiveness of department preparations when addressing new laws on County jails (ref. AB 109)
- Drug use by inmates
- Custodial health issues
- Financial issues
- Efficiency of operations
- Recidivism
- Incidents and complaints from or on behalf of inmates
- Summary of intake and release numbers by day

The 2023-2024 OCGJ also examined twenty (20) jail inspection reports that were completed and submitted by the California Board of State and Community Corrections who conducts biennial inspections of all jails in Orange County.

The Honorable Maria D. Hernandez
July 1, 2024
Page 2 of 2

The 2023-2024 OCGJ has found no concerns with the conditions and management of the Orange County detention centers; and per Penal Code section 919 (b) will file this letter and all documents obtained from the various agencies with the 2023-2024 OCGJ Official Records.

Respectfully submitted,



Michael J. Verrengia, Foreperson
2023-2024 Orange County Grand Jury

MJV:jm

2023-2024 Orange County Grand Jury



(Back to Front)

Kris Beard, Donald Downs, Kenneth Smith, Brian Parker, Robert Hendler, Margaret Riley, Bruce Bartram, Stephen Balloch, Douglas Blaul, Paul Brown, Michael Verrengia, Lynne Brown, Bo Morton, Shelley Tischler, Melinda Mellick, Lisa Winter, Patricia Whitman, Marvin Williams and Dale Peroutka

History and Duties of the Grand Jury

The earliest mentions of a grand jury appear to be from the ancient Greeks. Throughout history there have been references to citizen groups formed for the specific purpose of hearing criminal charges and investigating civil complaints against government agencies and officials, specifically misconduct and neglect.

In the United States, Grand Juries take their authority from the Fifth Amendment to the Constitution's Bill of Rights. Almost every state empanels grand juries to review criminal indictments and/or make inquiries into government activities. Orange County's first Grand Jury was empaneled in 1890. California makes criminal indictments by grand juries optional, and the Orange County Grand Jury is one of the few in the state that performs both civil and criminal duties.

A grand jury is a judicial body empowered with investigative duties. It is part of the Superior Court of California in the county in which it is convened. A grand jury is an oversight body composed of local citizens whose principal role is to investigate complaints about local governmental agencies, to audit those agencies, and to publish the findings and recommendations resulting from their investigations. The primary goal of a grand jury's civil duties is to serve the citizens of the county by recommending improvements in governmental operations.

The criminal responsibility of the grand jury is to hear cases presented to it by the District Attorney and then vote to return indictments when the evidence presented meets the level of probable cause for proceeding to trial.

The 2022-2023 Orange County Grand Jury carried on the tradition of investigating civil complaints, reviewing the functions of various governmental agencies, and assisting the District Attorney by hearing criminal cases for indictment. It produced the seven investigative reports on subjects of concern to the public included in this publication. It also held indictment and investigative hearings for the District Attorney's office.



The Old Orange County Courthouse

Orange County Grand Jury 2023-2024

INDEX

Reports in Order of Issuance

Law Enforcement's Response to Mental Illness Summary

An investigation into how law enforcement agencies within Orange County exceed California Peace Officer Standards and Training (POST) when responding to mental health calls for service. The report also discusses how law enforcement agencies in Orange County have established innovative strategies and partnerships when responding to mental health calls for service.

Report
1

Talking Trash: Recyclables and Organic Waste

One of the most ambitious pieces of State legislation aimed at decreasing greenhouse gas emissions is Senate Bill 1383. It requires entities responsible for waste collection to ensure diversion of organic waste away from landfills and into recycling for conversion to organic waste products. It also mandates that jurisdictions then procure the products resulting from the diversion for reuse. The 2023-2024 Orange County Grand Jury investigated how well Orange County jurisdictions are complying with these, and other, mandates in SB 1383, specifically as they apply to single-family residential units.

Report
2

Use of Artificial Intelligence in Public School (K-12), It's Not Elementary

This report undertook a review of Artificial Intelligence (AI) utilization in Orange County's public K-12 schools. The report highlights a glaring concern: the absence of consistent, standardized policies governing AI throughout Orange County schools.

Report
3

Review of the Assessor's Office

The 2023-2024 Orange County Grand Jury (OCGJ) investigation focused on how the Assessor's Office provides services to its customers, the office's processes, infrastructure, and efficiency. Additionally, the investigation compared Orange County's processes and public access with other California counties. The OCGJ concludes there is a clear need to provide better service through online public access to documents and information and allow electronic submission of common forms akin to other counties. Additionally, the Assessor's Office should provide a presence at the Orange County Service Center rather than require the inconvenience of a separate visit to the Assessor's Office. There is also a definite need to update internal administrative and operational processes to improve overall office efficiency and provide the needed resources to meet customer service workloads.

Report
4

E- Bikes Friend or Foe

The OCGJ determined that an investigation into E-bikes was needed to bring public awareness to the safe use of E-bikes and the importance of having city-relevant "rules of the road" in place. This report seeks to press Orange County cities to actively seek common-sense rules for E-bikes to ensure their safe operation among conventional bicycles, pedestrians, and vehicles.

Report
5

Emerging Opportunities in South County Water/Wastewater Systems:

This report presents two case studies involving water and wastewater agencies in South Orange County. The first study explores the lessons and advantages of annexing and consolidating water utilities among public entities. The second focuses on collaboration and the importance of effective leadership in planning and directing the future of water and wastewater recovery in the region.

Report
6



Law Enforcement's Response to Mental Health Calls for Service



GRAND JURY 2023-2024

Table of Contents

SUMMARY	1
BACKGROUND	1
REASON FOR THE STUDY	2
INVESTIGATION AND ANALYSIS.....	4
<i>Legislative Acts to Support Mental Health Training for Law Enforcement.....</i>	<i>4</i>
<i>Innovative Law Enforcement Mental Health Strategies.....</i>	<i>5</i>
<i>Orange County Service Planning Areas (SPAs)</i>	<i>9</i>
<i>Law Enforcement Partnerships</i>	<i>10</i>
COMMENDATIONS.....	13
FINDINGS	14
RECOMMENDATIONS.....	14
RESPONSES.....	15
REFERENCES.....	17
GLOSSARY	19
APPENDIX.....	20

SUMMARY

Approximately 8.8 million Americans have a severe mental illness such as schizophrenia, severe bi-polar disorder, or major depression with psychiatric features.¹ Almost half of these people are treated on a given day.² Without proper treatment, people with severe mental illness are at risk of experiencing negative outcomes that seriously impact them and the people around them.

Decades ago, law enforcement officers in Orange County became mental health clinicians without proper training. While State legislation has since required police agencies to increase mental health training, Orange County law enforcement agencies have surpassed the State's expectations. The Orange County Grand Jury (OCGJ) believes that law enforcement in Orange County is a model for training law enforcement personnel on mental health crisis intervention techniques and collaborating with behavioral health organizations to improve service and reduce stigma for those affected by mental illness.

BACKGROUND

In March 2021, two Los Angeles County Sheriff's Department (LASD) deputies responded to a call regarding a deaf and autistic male adult named Isaias Cervantes who was experiencing a mental health crisis. When deputies arrived, they asked Cervantes to stand up so he could be handcuffed as a safety precaution, and the incident escalated. Cervantes became combative with the deputies, which resulted in one of the deputies shooting him in the back. Consequently, Cervantes is paralyzed and recently won a \$25 million settlement against the County of Los Angeles. The LASD Internal Affairs Bureau concluded that excessive force during this incident was warranted per departmental procedure, although Los Angeles County Risk Management prepared a Summary Corrective Action Plan that focused on numerous root causes for the escalation, including:

- Desk personnel (i.e., dispatch) failed to ask about the nature of Cervantes' mental impairment.
- Desk personnel (i.e., dispatch) failed to send the Mental Evaluation Team as part of the response.³

¹ Treatment Advocacy Center, "Serious Mental Illness by the Numbers," 2022. <https://www.treatmentadvocacycenter.org>.

² *Ibid.*

³ The Times Staff Editorial, "Sheriff's Shooting Cost Taxpayers \$25 Million. Where's the Accountability?" Los Angeles Times, April 8, 2024.

Approximately one-third of individuals with severe mental illness have their first exposure to mental health treatment through a law enforcement encounter.⁴ Law enforcement officers are often on the front lines of psychiatric care, charged with responding to, addressing, and preventing a mental illness crisis. Responding to and transporting individuals with mental illness occupies more than twenty percent of a law enforcement officers' time.⁵ Many law enforcement agencies across the United States are looking at an alternative approach to mental health calls for service by partnering with mental health professionals rather than handling these calls as the sole first responder. The OCGJ has found that law enforcement agencies throughout Orange County have adopted one or a combination of the following three models to address mental health calls:

- Police Model. All mental health calls for service are handled by police with a clinician back-up.
- Co-Responder Model. Trained mental health professionals are dispatched along with the officers responding to certain calls.
- Alternative Mental Health Response. Only a mental health professional is dispatched to nonviolent calls such as attempted suicide; mentally ill; drug violation; drunk pedestrian; person down; trespasser; and well-being check.

REASON FOR THE STUDY

Christian Glass was a geology enthusiast, a painter, and a young man beset by a mental health crisis when he called 911 for help getting his car unstuck in a Colorado mountain town last year. Convinced that supernatural beings were after him, he balked when sheriff's deputies told him to get out of his car. Body camera video shows that the officers shouted, threatened, and coaxed. Glass hoped that officers would not break his car window, but they did, and the young adult grabbed a small knife. Then he was hit with bean bag rounds, stun gun charges and, ultimately, bullets that killed him and led to a murder charge against one deputy and a criminally negligent homicide charge against another.⁶ Along with the Cervantes incident described above, this article is just one of numerous examples indicating that society needs to reevaluate police protocol when responding to mental health calls for service.

⁴ Treatment Advocacy Center, "Road Runners: The Role and Impact of Law Enforcement in Transporting Individuals with Severe Mental Illness," 2019.
<https://www.treatmentadvocacycenter.org>.

⁵ Jody M. Litchford, JD., "Partnering with Mental Health Providers to Improve Outcomes," Police Chief, December 2023, p. 12.

⁶ Jennifer Peltz and Jesse Bedayn, "Many Big US Cities Now Answer Mental Health Crisis Calls with Civilian Teams – Not Police," Associated Press, August 27, 2023.

The OCGJ felt it was vital to research via interviews with law enforcement leaders, law enforcement educators, and mental health professionals how Orange County assists individuals who suffer from mental illness. It is important to note that this report does not focus on mental health issues that exist within the homeless community, although the OCGJ learned that a significant number of unhoused individuals suffer from mental illness, including substance abuse disorder, which leads to a significant number of police calls for service.

METHOD OF STUDY

The OCGJ conducted thirty-one interviews. Twenty-three of these interviews involved key personnel from law enforcement agencies representing all cities and unincorporated areas in Orange County, including the police agency at the University of California, Irvine (UCI). The OCGJ also interviewed representatives from the Orange County Sheriff's Regional Academy and Golden West College Police Academy, Orange County mental health stakeholders including the Orange County Health Care Agency's Mental Health and Recovery Services Department, the National Alliance on Mental Illness – Orange County Chapter (NAMI OC), and Project Kinship. In addition, the OCGJ conducted the following tours:

- Orange County Central Jail Complex, including the Intake Release Center (IRC), Men's Jail, and Women's Jail
- Central Justice Center Holding Facility
- James A. Musick Jail (under construction)
- Theo Lacy Jail
- Yale Navigation Center and Bridges at Kraemer Place
- Orange County Juvenile Hall and Youth Leadership Academy
- Be Well, Orange Campus

Members of the OCGJ attended monthly meetings of the Orange County Criminal Justice Coordinating Council (OCCJCC), which is a planning body of County government, law enforcement, courts/corrections, and social service agencies responsible for improving public safety on behalf of Orange County residents. These meetings were insightful and provided an understanding of how Orange County leaders collaborate to enhance law enforcement services.

The OCGJ also referred to previous Grand Jury reports, Peace Officer Standards and Training (POST) material, police training documents provided by the Orange County Sheriff's Regional Training Academy and Golden West College Police Academy, and local news articles and reports.

INVESTIGATION AND ANALYSIS

Legislative Acts to Support Mental Health Training for Law Enforcement

Even in situations in which police officers have completed relevant mental health crisis training, the mere presence of armed, uniformed officers can exacerbate feelings of distress for people with behavioral health conditions. While mental health training in law enforcement is mandated, field experience is also essential in producing positive outcomes to mental health calls for service. Listed below is an overview of mandated mental health training for law enforcement personnel that is regulated by POST.

Peace Officer, Public Safety Dispatcher and Public Safety Dispatch Supervisor

Most often, law enforcement officers are the initial first responders for incidents involving untreated mental illness. On January 1, 2016, Senate Bill (SB) 11 went into effect mandating additional behavioral health training for peace officers. This legislation was codified in California Penal Code Section 13515.27, which requires every peace officer (other than a level III Reserve Peace Officer), Public Safety Dispatcher, and Public Safety Dispatch Supervisor to complete twenty-four or more hours of POST training every two years. The training includes three consecutive hours of a POST-certified mental health training course.⁷ Training includes:

- The cause and nature of mental illness, intellectual disability, and substance abuse disorders.
- Indicators of mental illness, intellectual disability, and substance use disorders.
- Appropriate responses to a variety of situations involving persons with mental illness, intellectual disability, and substance use disorders.
- Conflict resolution and de-escalation techniques for potentially dangerous situations.
- Appropriate use of language when interacting with emotionally distressed individuals.
- Resources available to serve persons with mental illness or intellectual disability.⁸

Police Recruits

SB 11 also added Penal Code Section 13515.26, which requires POST to include fifteen hours of behavioral health training in the basic academy course for new police recruits. Upon graduation from a police academy, police recruits must complete training on subject matter that covers forty-two different law enforcement topics, also known as

⁷ State of California Commission on Peace Officer Standards and Training Website, "Mental Health Training in Law Enforcement."

⁸ https://california.public.law/codes/ca_penal_code_section_13515.27

Learning Domains (LD). One of the topics covered is in LD 37, identified as People with Disabilities. It provides trainees instruction on disability laws, developmental disabilities, physical disabilities, and mental illness.⁹ While in the academy, recruits learn to recognize general indicators of mental illness so that appropriate actions can be taken. The following indicators assist recruits in determining whether a behavior is related to mental illness:

- Fearfulness
- Inappropriate Behavior
- Extreme Inflexibility and/or Frustration
- Symptoms of Excitability
- Impaired Self-Care
- Hallucinations and Delusions
- Disorganized Speech, Thought Patterns, or Disorientation
- Clinical Depression
- Bipolar Disorder
- Schizophrenia
- Postpartum-Depression
- Psychosis
- Post-traumatic Stress Disorder (PTSD)
- Personality Disorder¹⁰

Supervisory Police Officers

SB 29, which also went into effect on January 1, 2016, requires police officers in supervisory roles who conduct field training to receive twelve hours of behavioral health training, including eight hours of crisis intervention instruction and an additional four hours in the Field Training Officer program, on how to interact with persons with mental illness or intellectual disability.

Innovative Law Enforcement Mental Health Strategies

The OCGJ interviewed high-ranking officers from twenty-three law enforcement agencies representing all cities and unincorporated areas in Orange County, including

⁹ California Commission on Peace Officer Standards and Training Website, "Mental Health Training in the Regular Basic Course."

¹⁰ California Commission on Peace Officer Standards and Training, Learning Domain 37, People with Disabilities, Version 6.0, Chapter 4.

the police agency at UCI. The OCGJ found that each city and/or unincorporated area handles mental health calls for service in its own, unique way. This is especially true with smaller cities that lack special funding to establish innovative mental health programs. However, smaller cities also have a more modest unhoused population, which makes enforcement more manageable than in larger municipalities. Table 1 on page 13 of this report summarizes key interview results with Orange County law enforcement agencies.

In Orange County, law enforcement's handling of mental health issues has evolved to include non-sworn mental health clinicians. This approach recognizes the need for specialized assistance in dealing with individuals experiencing mental health crises and provides a more tailored and compassionate response. Law enforcement representatives interviewed by the OCGJ agree that individuals experiencing a mental health crisis typically respond better when approached by clinicians who are not wearing uniforms, and emphasize the importance of sensitivity and understanding in these encounters.

Seven Orange County cities plus UCI have contracted with Be Well Orange County to provide mobile response vans staffed with two mental health clinicians seven days a week. The Homeless Outreach and Proactive Engagement (HOPE) Center, serving cities in North Orange County, uses a mobile office vehicle to connect with individuals in the community. Although the HOPE Center is primarily focused on issues related to homelessness, outreach workers are equipped to provide links to service for individuals suffering from mental illness.

Mental health clinicians from the Psychiatric Emergency Response Team (PERT) ride with law enforcement officers in seventeen Orange County cities. Law enforcement in any Orange County city can call the Crisis Assessment Team (CAT), a program that helps anyone in the county who is experiencing a behavioral health crisis. The PERT and CAT teams are staffed by clinicians from the Orange County Health Care Agency (OCHCA).

Some of the smaller police departments may not need an in-house crisis intervention worker, but are familiar with households that include persons with mental health issues, and their officers have established relationships with these families. Officers are also acquainted with many homeless individuals in these cities because their homeless populations are relatively sparse.

Although police agencies may differ in the way mental health calls for service are addressed, there is consensus that police departments would like more time to focus on crime-related calls for service.

Orange County Sheriff’s Department’s Behavioral Health Bureau

The Orange County Sheriff’s Department (OCSD) receives approximately 10,000 calls for service each year involving mental health, individuals experiencing homelessness,

and similar crises.¹¹ In June 2023, the Orange County Board of Supervisors approved the County's budget for Fiscal Year 2023-24; and within its budget, allocated \$2.8 million to expand the OCSD Behavioral Health Bureau (BHB).¹² The bureau is a specialized crisis response team that consists of nine deputy sheriffs, three PERT deputy sheriffs and one PERT clinician. This specialized team responds to mental health crisis calls including calls related to homelessness and conducts proactive follow-up calls. The goal is to assist with de-escalation and diversion to treatment and services, when appropriate.¹³

Some police agencies in Orange County are adopting an alternative mental health approach when responding to mental health calls for service. While there is an appeal to the idea of removing police from nonviolent psychiatric crisis calls, the challenge is training 911 dispatchers to gauge these calls and having experienced clinicians available to expediently respond to them. In March 2024, the OCSD, in partnership with the OCHCA, launched a dispatch call diversion program that guides OCSD dispatchers to triage non-violent and non-criminal behavioral health calls (including homelessness) to determine if they can be diverted to OC Links, which is a 24/7 Behavioral Health Line.¹⁴ OC Links dispatches counselors to these non-violent and non-criminal calls instead of deputies, freeing up deputies to respond to traditional crime-related calls instead.¹⁵

Orange County Intake Release Center (IRC)

The OCSD has partnered with the OCHCA to reduce inmate behavioral health crises. There are mental health hotlines available around the clock in each County jail so that deputies can report concerns regarding an inmate's mental health or behavior that might lead to self-harm. The IRC is part of the Central Jail complex in Santa Ana and houses inmates who suffer from severe mental illness. The facility can house up to 849 inmates and is staffed by sheriff's deputies from the BHB. The cells in the mental health unit have been modified to address safety and self-harm concerns. There are also visiting areas where inmates can use computer tablets for video calls with family, reading e-books, searching for jobs, receiving education, and playing cognitively stimulating games.

¹¹ Orange County Sheriff's Department News Release, "OC Sheriff Partners with the OC Health Care Agency to Support Individuals in Crisis," <https://ocsheriff.gov>.

¹² Minutes of the Orange County Board of Supervisors Meeting on June 27, 2023; Adoption of the Fiscal Year 2034-24 Final Budget Resolution.

¹³ OC Cares Justice Through Prevention and Intervention, 2025 Quarterly Status Report, October – December 2023, p 16.

¹⁴ Orange County Sheriff's Department News Release "OC Sheriff Partners with the OC Health Care Agency to Support Individuals in Crisis," <https://ocsheriff.gov>.

¹⁵ *Ibid*.

Fullerton Police Department Social Worker Program

In 2023, Orange County Supervisor Doug Chaffee allocated \$1 million from the Fourth Supervisorial District Discretionary Grants to help fund the Fullerton Police Department Social Worker Program, which is a two-year pilot program.¹⁶ The objective is to dispatch licensed clinical social workers (LCSWs) alongside or in lieu of police officers when responding to mental health crises, domestic violence, or juvenile delinquency. The program consists of two LCSWs and focuses on crisis response, mediation, referrals to health care providers, treatment plans and case follow-ups, and de-escalation techniques for peaceful resolution.

Irvine Police Department Mental Health Unit

In 2014, the Irvine Police Department established a mental health unit that consists of three sworn police officers and two County PERT clinicians. The mental health sworn officers partner with the PERT clinicians in response to mental health calls for service. When not responding to mental health calls for service, the mental health unit is conducting follow-up calls for service with their clients. There is an additional trained clinician assigned to the mental health unit from the City's FOR Families program that provides short-term mental health support to Irvine residents on a variety of concerns including:

- Stress/Depression
- Substance Abuse
- Family Violence
- Relationship Problems
- Legal/Financial Issues
- Children/Teen Behavioral Difficulties

Residents who are affected by a mental health issue can contact the City's dedicated email address at outreach@cityofirvine.org.

City of Huntington Beach Police Department

Huntington Beach was the first city in Orange County to enter into an agreement with Be Well OC where two professional crisis counselors respond to non-violent mental health calls relating to suicide, family disputes, drug/alcohol abuse, welfare checks, and general mental health crisis calls. Collaboration with Be Well OC has allowed sworn officers to dedicate more time responding to crime-related calls for service.

¹⁶ "Fullerton Police Department Get \$1 Million to Start a Pilot Program," Fullerton Observer, July 22, 2023.

Orange County Service Planning Areas (SPAs)

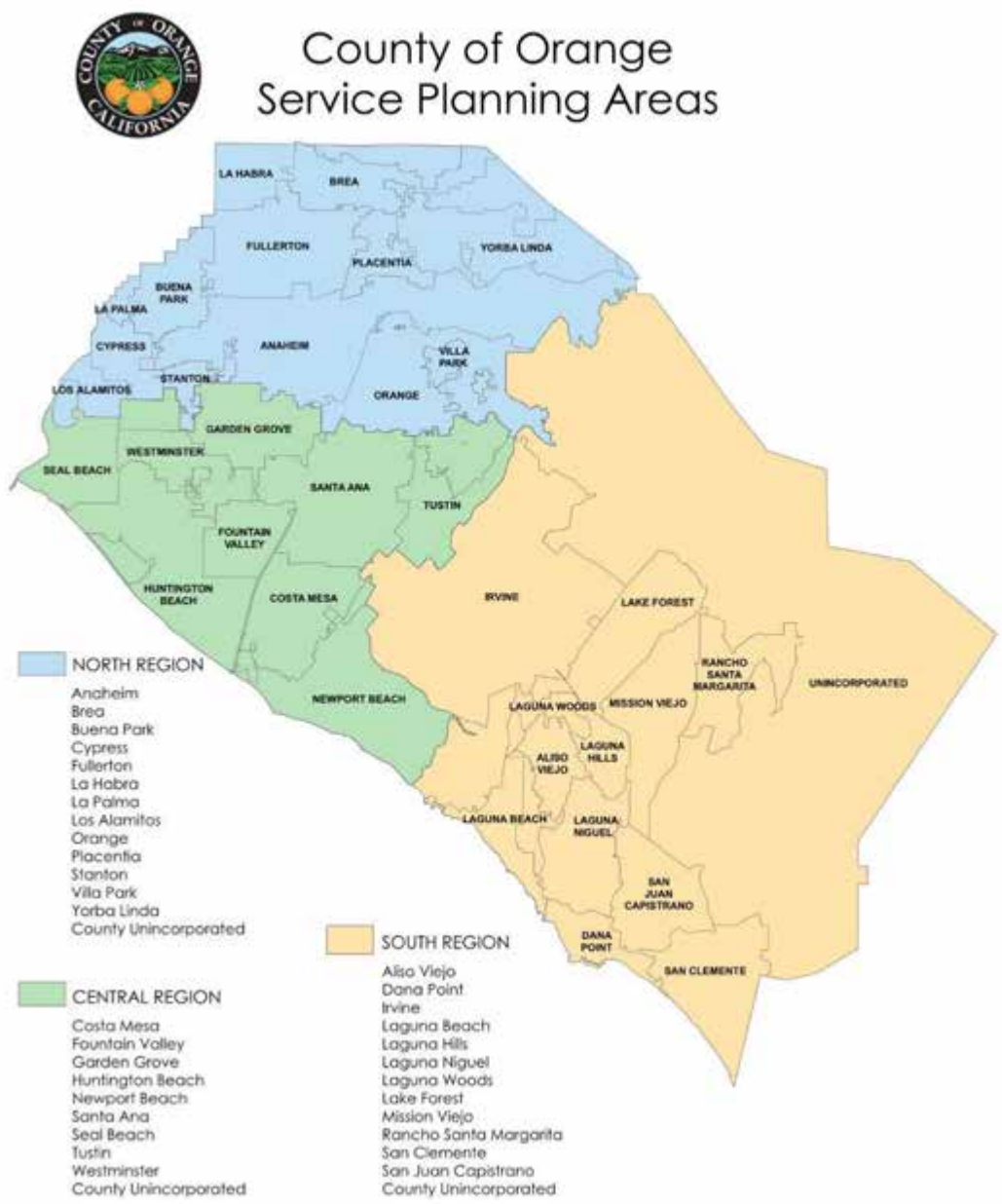
Service Planning Areas (SPAs) are divisions of Orange County into North, Central, and South cities to coordinate homeless shelters and services on a regional basis. The North Orange County Service Planning Area (North SPA) is the most active and innovative of the three SPAs. It coordinates collaboration among thirteen cities in North Orange County. In 2018, North SPA was given over \$12 million dollars by the State of California to address the crisis of homelessness.¹⁷ The North SPA partnership is an effort to comply with a court ruling prohibiting enforcement of anti-camping laws on public property when local shelter beds are not available. The funding was used to open two homeless "Navigation Centers," one in Buena Park and the other in Placentia.

The HOPE Center was opened in 2022 to gain more reliable relief and consistent support for homeless individuals in the North SPA area. The HOPE Center is designed as a central command center for case workers, mental health clinicians, resource providers, and homeless liaison officers working together to address public health issues with an emphasis on homeless individuals. The goal is to end homelessness in the North SPA cities by getting "the right resource to the right person at the right time."¹⁸ The HOPE Center mobile office vehicle is used to respond to calls for service. Center clinicians engage in outreach activities when they are not on calls. At the opening of the HOPE Center, State Senator Josh Newman (D-Fullerton/District 29) said the HOPE Center will be "a critical hub for subject matter experts, health care workers, community-based organizations, and local law enforcement to coordinate and deliver resources efficiently under one roof."¹⁹

¹⁷ "North Orange County Service Planning Area (North SPA) Received \$12,062,300 in Homeless Emergency Aid Program (HEAP) Funding to Open Navigation Center in Buena Park and Placentia," November 9, 2018, https://www.buenapark.com/T2_R49.php.

¹⁸ HOPE Center Orange County Mission Statement, <https://ochopecenter.org>.

¹⁹ Tess Sheets and Alicia Robinson, "Governor Gavin Newsom Visits to Help Open New Hub for North Orange County Homeless Services," Orange County Register, October 27, 2022.



Law Enforcement Partnerships

Be Well (Hope Starts Here)

Hope Starts Here is the slogan for Be Well OC. It was established in 2017 (under the leadership of Mind OC) as a public-private partnership which provides mental health stabilization, a sobering center, and residential housing for both substance abuse and

mental health treatment for the residents of Orange County. Insurance is not a requirement to receive treatment.²⁰

The first of three proposed Be Well campuses opened in January 2021 in the City of Orange to serve North Orange County. Funding was provided by the County Board of Supervisors, CalOptima, private donors, and major hospital systems. In October 2023, construction began on the second Be Well campus located in Irvine's Great Park that will serve South Orange County. This facility will be larger than the Orange Campus and will have the additional ability to support children, youth, and families. The campus is expected to open in 2025. A campus to serve Central Orange County is proposed.

Mind OC was established in 2017 as a California 501(c)(3) non-profit organization. The purpose of the non-profit is to partner with the County of Orange to establish behavioral health campuses in Orange County. When the Be Well Campus in Orange opened, it was under the responsibility of the OCHCA. In January of 2023, Mind OC assumed responsibility for the campus.²¹

In addition to the Be Well campuses, Be Well OC has a mobile response program. The slogan for the program is Hope Happens Here.²² Identifiable outreach vans with mental health crisis counselors (working in pairs) work in collaboration with law enforcement to respond to mental health calls. The counselors are trained in de-escalation, crisis stabilization, and counseling. Seven municipal police agencies (Anaheim, Garden Grove, Huntington Beach, Irvine, Laguna Beach, Newport Beach, and Westminster) and UCI currently have mobile response contracts. Law enforcement agencies without contracts with the mobile response program can transport people in need to the Be Well Orange Campus.

Project Kinship (Hope Lives Here)

In November 2014, California voters approved Proposition 47 that reduced some low-level felonies in the state to misdemeanors. The proposition required the Board of State and Community Corrections to use a portion of the annual savings from Proposition 47 to administer grant programs for diversion, mental health services, or substance abuse treatment.²³ Since 2016, Orange County has received \$12 million in grants from Proposition 47. Orange County's goal is to reduce the number of people with mild-to-moderate mental health and/or substance use disorders incarcerated in the county jail by reducing recidivism through intensive case management, linkages to treatment, housing and behavioral health services, and community supports upon release.²⁴

²⁰ <https://bewelloc.org/>

²¹ *Ibid.*

²² <https://mind-oc.org/>

²³ Libby Doyle, Leigh Courtney, Bryce Peterson of the Urban Institute, "Evaluation of Orange County's Proposition 47 Grant-Related Services," Executive Summary, September 2021, p.v.

²⁴ *Ibid.*

Located in Santa Ana, Project Kinship was established in 2014 as a non-profit organization to address people’s basic needs upon their release from custody. Although Project Kinship offers a variety of services including Schools and Youth Programs and a Workforce Program, this report focuses on the Adult Re-Entry Program in which Correctional Health Services provides Project Kinship with a list of upcoming inmates scheduled for release. Project Kinship conducts a triage on those inmates who are willing to sign an agreement for assistance (for up to eighteen months) that addresses people’s basic needs upon their release from custody, such as housing, referrals to treatment facilities, mental health counseling, clothing, or reunification with family. Upon release from jail, these individuals are at risk of recidivism, victimization, and homelessness when they do not have resources such as clothing and food. The OCSD collaborates with Project Kinship by providing office space at the IRC and the Theo Lacy Jail. Project Kinship assists releasees on a round-the-clock basis at these facilities. Project Kinship is unique in that more than fifty percent of its workforce and all of its peer navigators have had analogous life experiences.²⁵

The Proposition 47 grant money has allowed Orange County to fund Project Kinship’s relocation to a larger space and hire additional case managers, clinicians, and peer navigators.²⁶ There are now approximately 120 Project Kinship employees who served 179 clients between July 2020 and March 2021.²⁷ In a meeting at the OCCJCC, members from the OCGJ witnessed an inspiring story from a Project Kinship employee as she described how her repeat offenses were causing her to be institutionalized and comfortable knowing that jail provided her with housing, clothing, food, and some sort of socialization. It was Project Kinship that approached her when she was preparing to be released from jail for the last time. Project Kinship provided her with a comprehensive approach to addressing short-and long-term reentry needs that helped her realize she could start a new life for herself.

City Net

Seven cities throughout Orange County contract with City Net to work with police agencies on reducing homelessness through street outreach and engagement.

²⁵ *Id.*, p. 20.

²⁶ *Ibid.*

²⁷ *Id.*, p. 21.

Table 1: Interview Results with Orange County Law Enforcement Agencies

Law Enforcement Agencies	Be Well Mobile Response Team	PERT	City Net	NorthSpa/Hope Center	Behavioral Health Bureau	Non-Sworn Crisis Worker
Anaheim	X	X	X	X		
Brea				X		
Buena Park		X		X		
Costa Mesa		X				
Cypress				X		
Fountain Valley		X	X			
Fullerton		X		X		*
Garden Grove	X	X				
Huntington Beach	X	X				X
Irvine	X	X				X
La Habra				X		X
La Palma				X		
Laguna Beach	X	X				
Los Alamitos			X	X		
Newport Beach	X	X	X			
Orange		X		X		
Placentia			X	X		
Santa Ana		X	X			
Seal Beach		X				
Tustin		X	X			X
UCI	X	X				**
Westminster	X	X				
Orange County Sheriff		X		***	X	

* City of Fullerton is developing a pilot Social Worker Program within its police department.

** UCI has several student counseling services on campus.

*** The cities of Stanton and Yorba Linda are members of North SPA.

COMMENDATIONS

Orange County Criminal Justice Coordinating Council (OCCJCC) – The OCCJCC is to be commended for its efforts to improve public safety through greater inter-agency communication, coordination and collaboration regarding law enforcement and administration of justice issues including mental health.²⁸

²⁸ Orange County Board of Supervisors Resolution No. 2001-38, Adopted February 6, 2001, OCCJCC Proposed Reorganization.

Orange County Intake Release Center (IRC) – The IRC is to be commended for partnering with the OCHCA to reduce inmate behavioral health crises.

FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation described here, the 2023-2024 OCGJ has arrived at the following principal findings:

- F1. Mental health training for law enforcement officers in Orange County exceeds the State’s requirements, resulting in law enforcement applying these skills to better evaluate and handle mental health calls for service.
- F2. Law enforcement agencies in Orange County have developed unique ways to deal with mental health calls in their communities based on their particular needs and budgets, enabling law enforcement to better serve their communities.
- F3. Law enforcement collaboration with County PERT clinicians and Be Well mobile response units has been an effective tool when responding to mental health calls for service.
- F4. People with mental illness respond more positively to “soft uniformed” police personnel, which can be effective in de-escalating situations.
- F5. Providing follow-up case management is not only necessary but critical for the wellbeing of people experiencing mental health issues.

RECOMMENDATIONS

Based on its investigation, the 2023 – 2024 OCGJ has determined that law enforcement agencies throughout Orange County have developed unique techniques to adequately address mental health calls, thus this report does not contain recommendations.

RESPONSES

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made no later than 90 days after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official, such official shall comment on the findings and recommendations pertaining to the matters under that official's control within 60 days to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

- (a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:
 - (1) The respondent agrees with the finding.
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.
- (b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:
 - (1) The recommendation has been implemented, with a summary regarding the implemented action.
 - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
 - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the Grand Jury report.
 - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, thereof.
- (c) If a finding or recommendation of the Grand Jury addresses budgetary or

personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

The Orange County Grand Jury requires and requests the following responses, as indicated:

Findings – 60 Day Response Required

Orange County Sheriff-Coroner	F1, F2, F3, F4, F5
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Findings – 90 Day Response Required

City Councils of:

Anaheim	F1, F2, F3, F4, F5
Brea	F1, F2, F4, F5
Buena Park	F1, F2, F3, F4, F5
Costa Mesa	F1, F2, F3, F4, F5
Cypress	F1, F2, F3, F4, F5
Fountain Valley	F1, F2, F3, F4, F5
Fullerton	F1, F2, F3, F4, F5
Garden Grove	F1, F2, F3, F4, F5
Huntington Beach	F1, F2, F3, F4, F5
Irvine	F1, F2, F3, F4, F5
La Habra	F1, F2, F3, F4, F5
La Palma	F1, F2, F4, F5
Laguna Beach	F1, F2, F3, F4, F5
Los Alamitos	F1, F2, F3, F4, F5

Newport Beach	F1, F2, F3, F4, F5
Orange	F1, F2, F3, F4, F5
Placentia	F1, F2, F4, F5
Santa Ana	F1, F2, F3, F4, F5
Seal Beach	F1, F2, F3, F4, F5
Tustin	F1, F2, F3, F4, F5
Westminster	F1, F2, F3, F4, F5

Findings – 90 Day Response Requested

University of California, Irvine	F1, F2, F3, F4, F5
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GLOSSARY

BHB	Behavioral Health Bureau (Orange County Sheriff's Department)
BHS	Behavioral Health Services
BRU	Behavioral Response Unit
CAT	Crisis Assessment Team
CIT	Crisis Intervention Training
HOPE	Homeless Outreach and Proactive Engagement
IRC	Intake Release Center
LASD	Los Angeles Sheriff's Department
LCSW	Licensed Clinical Social Worker
LD	Learning Domain
NAMI OC	National Alliance on Mental Illness – Orange County Chapter
OCCJCC	Orange County Criminal Justice Coordinating Council
OCGJ	Orange County Grand Jury
OCHCA	Orange County Health Care Agency
OCSD	Orange County Sheriff's Department
PERT	Psychiatric Emergency Response Team
POST	Peace Officer Standards and Training
SB	Senate Bill
SPA	Service Planning Area
UCI	University of California, Irvine

APPENDIX

National Alliance on Mental Illness, Orange County (NAMI OC) Warm Line

If you or someone you know is experiencing a mental health crisis, it is essential to take immediate action.

Why a “Warm Line” and not a “Hot Line?”

Imagine a pot left unattended and beginning to boil over—it requires immediate intervention to prevent avoidable damage. Distress left avoided for too long is similar to a boiling pot.

The Warm Line aims to be an accessible mental health resource people can use for support before they’ve reached their boiling point. Our research shows that immediate support will prevent crisis later.

The Warm Line aspires to bring authentic human connection to every conversation. Because our counselors are peers with their own experiences of mental health challenges, MHSF provides support from a place of empathy, understanding, and constant hope for recovery.

Source: [Warm Line - Mental Health Association of San Francisco \(mentalhealthsf.org\)](https://www.mentalhealthsf.org/warm-line)

<p>Support is here YOU ARE NOT ALONE</p>	<p>NAMI/OC WarmLine 24/7 Mental Health Support</p> <p>Toll Free: (877) 910-9276 Text or Call Local: (714) 991-6412 LiveChat at: namioc.org Email: wl@namioc.org</p> <p> NAMI Orange County</p>	<p>La ayuda llega USTED NO ESTA SOLO</p>	<p>NAMI/OC WarmLine Apoyo de Salud Mental 24/7</p> <p>Llamada Gratuita: (877) 910-9276 Llame o envíe mensaje: (714) 991-6412 Chat en Vivo: namioc.org Correo Electrónico: wl@namioc.org</p> <p> NAMI Orange County</p>
<p>Trợ Giúp ở đây BẠN SẼ KHÔNG CÒN ĐƠN ĐỘC</p>	<p>NAMI/OC WarmLine Đường Giây THÂN TÌNH Hỗ trợ sức khỏe tinh thần 24/7</p> <p>Điện Thoại Miễn Phí: (877) 910-9276 Tin Nhắn hay Gọi Địa Phương: (714) 991-6412 Đàm Thoại Trực Tiếp tại: namioc.org Điện Thư: wl@namioc.org</p> <p> NAMI Orange County</p>	<p>کمک اینجاست شما تنها نیستید</p>	<p>NAMI/OC WarmLine حمایت عاطفی و منابع 24/7</p> <p>تلفن رایگان: (877) 910-9276 پیامک یا تماس محلی: (714) 991-6412 چت کردن زنده در: namioc.org ایمیل: wl@namioc.org</p> <p> NAMI Orange County</p>



Talking Trash: Recyclables and Organic Waste



GRAND JURY 2023-2024

TABLE OF CONTENTS

SUMMARY	1
BACKGROUND	1
REASON FOR THE STUDY	2
METHOD OF STUDY	3
INVESTIGATION AND ANALYSIS	4
Overview of SB 1383	4
How Are Jurisdictions Impacted by SB 1383?	5
Orange County Jurisdictions’ SB 1383 Implementation Status	6
<i>How do jurisdictions assess their own progress?</i>	<i>6</i>
<i>Main Implementation Issues</i>	<i>6</i>
COMMENDATIONS	16
FINDINGS	16
RECOMMENDATIONS	17
RESPONSES	19
Responses Required	20
<i>Findings – 90 Day Response Required</i>	<i>20</i>
<i>Recommendations – 90 Day Response Required</i>	<i>22</i>
REFERENCES	23
GLOSSARY	24
APPENDICES	26
APPENDIX A – SURVEY RESULTS	26
APPENDIX B – CIRCULAR ECONOMY STARTS IN YOUR KITCHEN	31

SUMMARY

In 2016, the State of California enacted Senate Bill (SB) 1383, requiring counties, cities, and other organizations responsible for waste collection to coordinate with their residents to divert organic waste, including food scraps, from the landfill waste disposal stream. Another provision makes jurisdictions responsible for procuring a quantity of the recovered organic waste products resulting from the diversion. The 2023-2024 Orange County Grand Jury (OCGJ) investigated how Orange County jurisdictions are complying with the requirements and goals of SB 1383 that impact single-family residential units.

The investigation revealed that the approaches to meeting SB 1383's requirements vary greatly from jurisdiction to jurisdiction. The majority of Orange County jurisdictions have not yet distributed residential waste containers that meet the SB 1383 standardization requirements, leaving outdated labeling/embossing in place. Education and outreach have not yet taken place at all in some jurisdictions. Even when information has been disseminated in other jurisdictions, the methods disproportionately favor intermittent paper mailings. Also, the State's unrealistic targets for the procurement of recycled organic waste products do not account for a jurisdiction's population density or geographic size, which frequently makes them extremely difficult to meet.

The local enforcement stage of SB 1383 started on January 1, 2024. However, the majority of Orange County jurisdictions are unlikely to meet the SB 1383 targeted seventy-five percent reduction in the amount of organic waste sent to landfills by January 2025.

The OCGJ concludes there is a clear need to improve education and outreach efforts, develop enforcement mechanisms and processes, and to coordinate and collaborate among all jurisdictions to collectively address the challenges and to achieve the goals and targets of SB 1383.

BACKGROUND

Organic waste comprises more than a third of the waste stream in California and includes green waste, wood, food waste, and fibers such as paper and cardboard. When left to decompose in landfills, organic waste releases large amounts of methane gas which is harmful to the environment (CalRecycle, 2024). In September 2016, SB 1383 set reduction targets in a statewide effort to reduce emissions of Short-Lived Climate Pollutants (SLCP) including methane. Simply put, this required all statewide jurisdictions to implement mandatory organic waste collection and recycling to divert organic waste from landfills. Another key benefit of the diversion of organic and other recyclable material from landfills is the preservation of overall landfill capacity.

In 2014, the State conducted random sampling of twenty-six landfills, Material Recovery Facilities (MRF), and Transfer Stations located in twenty-one of California's fifty-eight counties (none in Orange County). The results were used to establish the baseline for

the required reduction in organic waste destined for landfills. SB 1383 then set goals to reduce organic waste sent to landfills below the 2014 baseline by fifty percent no later than January 1, 2020, and seventy-five percent by January 1, 2025. However, despite the law's requirements, the amount of organic waste sent to landfills statewide actually increased by twenty-three percent above the 2014 baseline (Little Hoover Commission, 2023).

SB 1383 required all jurisdictions to memorialize the bill's requirements in their municipal codes and ordinances no later than January 1, 2022. One of the results of these changes is that each jurisdiction had to amend or renegotiate their waste haulers' franchise agreements to incorporate the new requirements.

In accordance with SB 1383, as of January 1, 2024, all jurisdictions (and therefore all waste producers) will be subject to enforcement, including monetary fines. While SB 1383 has a myriad of requirements for commercial as well as residential waste producers, the OCGJ narrowed its investigation to the impacts associated with local jurisdiction compliance with SB 1383 on Orange County residents. This report focuses on the specific requirements associated with SB 1383, the local actions taken so far to meet those requirements, the success of those actions and how they are measured, local agency outreach and education efforts, and the challenges that remain for the County of Orange and the county's thirty-four cities.

REASON FOR THE STUDY

The organics diversion mandate under SB 1383 began to take effect in California on January 1, 2022. This means that jurisdictions in California were required to implement programs for the separation and diversion of organic waste, including food scraps, from landfill disposal. The actual enforcement of this requirement started on January 1, 2024. The OCGJ's intent was to take a closer look at how Orange County jurisdictions are responding to this mandate, their successes and challenges, and the impact of this new requirement on the Orange County residents.

The OCGJ initially focused on two questions:

- What actions have Orange County jurisdictions taken to implement organics collection for their residential customers, and how do they measure the success of these actions?
- Given that one key to the success of SB 1383 is public participation, have local jurisdictions conducted sufficient outreach and education?

While investigating the answers to these questions, the OCGJ discovered additional information about Orange County recycling and waste management that is notably relevant to this topic and is included in this report.

METHOD OF STUDY

The OCGJ toured several local waste facilities, including:

- The Frank R. Bowerman landfill in Irvine, owned by the County of Orange and managed and operated by OC Waste & Recycling (OCW&R). This enabled the OCGJ to gain a better understanding of the refuse collection and disposal process.
- The MRF operated by Rainbow Environmental Services, located at 17121 Nichols Lane in the city of Huntington Beach. This facility was previously decommissioned then reopened on short notice when the newer Anaheim MRF was destroyed by fire in February 2022.
- The MRF operated by Waste Management, located at 2050 North Glassell Street in the city of Orange. This tour allowed the OCGJ to gain information on the operation of a newer, larger MRF.

The OCGJ reviewed SB 1383 and related documents, training videos, public meeting recordings, and presentations available on the CalRecycle website.

The OCGJ reviewed online publications from various organizational and media sources related to trash hauling and general operations of the waste and recycling industry and conducted fourteen interviews with representatives from the waste industry, local jurisdictions, and the State's enforcement agency.

The OCGJ also disseminated a nine-question survey to each of the thirty-four Orange County cities and the County to obtain their perspectives on local implementation of SB 1383. Follow-up interviews were conducted with representatives of the same ten cities included in the 2019-2020 OCGJ report "OC Recycling: Doing it the Right Way" and the County for additional insight into each jurisdiction's implementation of, and compliance with, SB 1383's requirements.

The OCGJ utilized the same sampling of ten cities as well as the County of Orange (for its unincorporated areas) because they represent different geographical areas of the county (from Brea in the north to Dana Point in the south) and reflect a variety of larger cities by population and/or land area (e.g., Santa Ana, Irvine) and some that are smaller (e.g., Buena Park, Mission Viejo).

Individual members of the OCGJ also observed the types and colors of carts, their labeling, and their contents at various locations throughout the county. These observations were documented via photographs to illustrate dissimilar details and nuances among jurisdictions and haulers.

INVESTIGATION AND ANALYSIS

Overview of SB 1383

SB 1383 set ambitious targets for reducing organic waste disposal in landfills from the 2014 baseline: fifty percent by January 2020 (which was not met), and seventy-five percent by January 2025. Organic waste comprises more than half the waste stream in California and includes green waste, wood, food waste, and fibers such as paper and cardboard. When left to decompose in landfills, organic waste releases large amounts of methane gas. The overall goal of the bill is to reduce greenhouse gas emissions by at least four million metric tons per year by 2030 by requiring that “organics” going to the landfill be reduced to 5.7 million metric tons by 2025.

This groundbreaking legislation is a statewide effort to reduce Short-Lived Climate Pollutants (SLCPs). SLCPs such as methane, black carbon, tropospheric (ground level) ozone, and hydrofluorocarbons remain in the atmosphere for a shorter time than carbon dioxide but have a much stronger warming effect. Therefore, reducing SLCPs has the potential to significantly slow global climate change in the near term (California Air Resources Board, 2024). The State’s efforts and policies are intended to substantially increase the rate of organic material diversion away from landfills. This diversion goal is meant to move the State towards the desired “circular economy” where organic waste is collected, converted into new materials or products, and reused for other purposes.

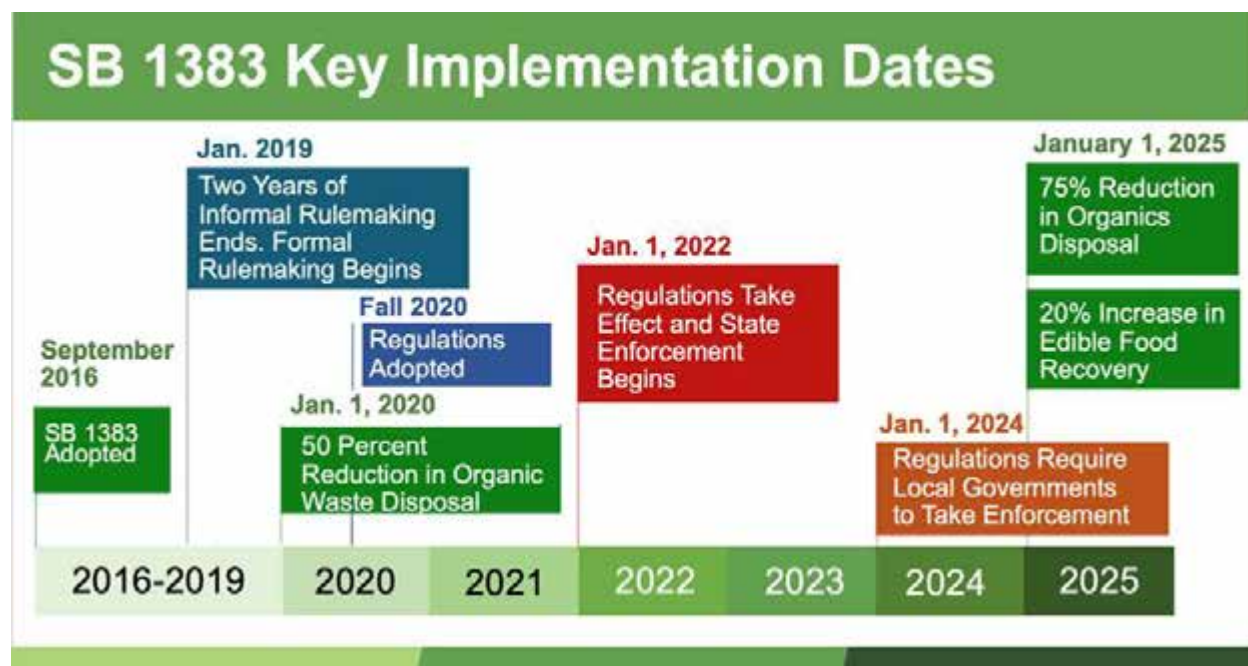


Figure 1

Source: CalRecycle

How Are Jurisdictions Impacted by SB 1383?

In this context, a jurisdiction may be a city, county, city and county, or special district that collects solid waste.

The jurisdictions' responsibilities specified by SB 1383 relating to residential units include (CalRecycle, 2024):

- Providing organics collection services to all residents
- Conducting education and outreach to community
- Procuring recyclable and recovered organic products
- Securing access to recycling capacity
- Monitoring compliance and conducting enforcement

SB 1383 contains a significant amount of detail regarding the types of allowable collection programs. Critical requirements are listed below:

- Each resident must subscribe to an organic waste collection service that either “source-separates” the waste by using separate bins or transports all unsegregated waste to a facility that recovers seventy-five percent of the organic content collected.
- SB 1383 requires one of the following collection options:
 - A one-can system – all contents are transported to a facility that recovers seventy-five percent of the organic content.
 - A two-can system – at least one of the containers (whichever includes organic waste and garbage) must be transported to a facility that recovers seventy-five percent of the organic content.
 - A three-can system – organic waste is required to be source separated (recyclables in blue, food and yard waste in green).

Jurisdictions must also conduct education and outreach to all residents regarding collection service requirements, contamination standards, self-haul requirements, and overall compliance with SB 1383. Educational material must be linguistically accessible to non-English speaking residents.

Jurisdiction Responsibilities



Provide

Organics
Collection
Services to All
Residents and
Businesses

Establish

Edible Food
Recovery
Program

Conduct

Education and
Outreach to
Community

Procure

Recyclable
and Recovered
Organic
Products

Secure

Access to
Recycling
and Edible
Food
Recovery
Capacity

Monitor

Compliance
and Conduct
Enforcement



Figure 2

Source: CalRecycle

Orange County Jurisdictions' SB 1383 Implementation Status

How do jurisdictions assess their own progress?

The OCGJ sent a nine-question survey to thirty-four cities and OC Waste & Recycling (OCW&R) and received thirty-one responses. The purpose of the survey was to verify how these agencies measure their progress on the implementation of various aspects of SB 1383. Survey participants were asked to mark their progress on the scale from 1 (significant challenges) to 5 (excellent) for each of the questions. The survey questions as well as more detailed information on responses and follow-up comments and explanations is included in Appendix A.

Main Implementation Issues

To follow-up on the survey, the OCGJ conducted a series of interviews with jurisdictions to learn more about their specific challenges in implementing SB 1383, successes, concerns, and solutions to common issues. The eleven jurisdictions interviewed were the same included in the 2019-2020 OCGJ report "OC Recycling: Doing it the Right Way" representing different geographical areas of the county and a variety of populations and/or land areas. Several themes emerged from the interviews:

- **Container Standardization**

SB 1383 requires standardized colors for residential and business curbside containers (green for organics, blue for recyclables, and grey for trash). It also requires container

labels on new containers. The color scheme for collection containers must meet either of these requirements:

- The lid of the container is the correct designated color
- The body of the container is the correct designated color, and the lid is also the same specified color or may be gray or black

Out of the eleven jurisdictions interviewed, only two have distributed containers that meet the State requirements. However, jurisdictions are not required to replace containers prior to January 1, 2036. Most are replacing their containers gradually over time. The variety of colors used by various jurisdictions contributes to the confusion and potentially increases contamination rates. In many cases, existing containers include embossed information that is no longer accurate or labels with outdated information (see examples below).



Figure 3. The embossed information wrongly directs residents to put plastic grocery bags in the recycling container. Photo: OCGJ



Figure 4. The old sticker incorrectly directs residents to put shoes, clothes, and other textiles in the recycling container. Photo: OCGJ



Figure 5. Outside label on the 'green waste' container contains no information regarding food scraps. Photo: OCGJ

The following two images of the “Food Scrap” container (outside and inside) were taken by an OCGJ member in a public park. The contents of the container, which contains unallowable items, such as plastic packaging, further underscores the need for clear signage and more public education.



Figure 6. Lid of the “Food Scraps” container in a public park from November 2023 showing correct information. Photo: OCGJ



Figure 7. Contents of the same “Food Scraps” container in the public park from November 2023. Photo: OCGJ

Another standardization issue is that what is accepted for recycling varies among the jurisdictions and haulers.

For example, some allow palm fronds into organics bins while others do not, and some allow food scraps to be deposited in compostable bags while others do not, further adding to the confusion.

- **Funding and Enforcement**

While conducting interviews with the Orange County jurisdictions, the OCGJ learned that there are two approaches to funding their solid waste management programs (including SB 1383 implementation activities): (1) using an enterprise fund; and (2) using the general fund. Using an enterprise fund ensures that all revenues generated by the solid waste management program are reinvested in that program rather than being diverted into other needs of the jurisdiction.

Even though enforcement activities were effective starting January 1, 2024, jurisdictions only conduct inspections and spot-checks of residential customers' organic and trash containers using either "lid flipping" or smart trucks that record the contents of the containers as they are being emptied. Haulers (via contracts) have been designated to perform these functions. If residents are found to be in violation, the first step is to provide them with additional educational materials and information. If the violation persists, warning notices are issued. The final step is issuing fines. *The penalties imposed by a jurisdiction are based on Government Code Sections 53069.4, 25132, and 36900, and are as follows:*

- *First violation: \$50-\$100 per violation;*
- *Second violation: \$100-\$200 per violation;*
- *Third or subsequent violation: \$250-\$500 per violation*

Penalties increase when an entity violates the same requirement within a one-year period (CalRecycle, 2024).

While jurisdictions have yet to collect fines, some have not even established the collection protocol or the account where collected fines will be deposited.

- **Education and Outreach**

Clearly, there is a need for more education and outreach. The success of SB 1383 implementation and the ability to reach the CalRecycle goal of a seventy-five percent diversion rate depend largely on residents' compliance and behavior change. Education and outreach is the first and most critical component of that change.

"The accuracy of consumer disposal decisions directly influences the performance of the recycling system." (Christian Blanco C. S., 2023)

Most interviewed jurisdictions collaborate with haulers to create and distribute educational materials. Others also use consulting services for that purpose. Outreach strategies, the number of outreach events and communications, as well as participation rates vary greatly from jurisdiction to jurisdiction, but most rely heavily on paper mailings, which may not be the most effective way of reaching the public. If combined with junk mail, the educational material may go unread into a recycling bin, if not the trash. Frequently, the information flyers are mailed together with hard-copy utility bills, which may overlook those who subscribe to electronic billing.

As part of their outreach/education campaigns, some of the interviewed jurisdictions purchased kitchen pails for recycling food scraps to distribute to some or all households. These purchases were funded through SB 1383 assistance grants from CalRecycle, which most of the Orange County jurisdictions applied for and received.

The OCGJ reviewed a sampling of educational materials being distributed by several cities and concluded that the quality of these materials can range from highly informative publications with accessible and attractive designs to flimsy “newsletters” issued by haulers for their respective jurisdictions with graphics and instructions that are barely legible.

Paper mailings have their role but represent only one of many possible outreach methods. The recycling industry itself is embracing technological advancements, including the use of Artificial Intelligence (AI), in waste sorting, predicting trends, the use of smart hauler trucks and smart bins, as well as in outreach and education (Recycling Inside, 2023).

According to Recycling Inside, “AI can play a pivotal role in educating the public about recycling practices. Chatbots and virtual assistants powered by AI can provide real-time guidance on waste disposal, recycling guidelines, and collection schedules. By engaging with individuals through personalized interactions, AI-driven platforms can raise awareness, promote recycling behavior, and facilitate proper waste management at the consumer level.”

According to research by the Recycling Partnership, “People have a misconception that what is recyclable doesn’t change. They are recycling incorrectly in some cases because they are basing decisions on past guidelines and recycling knowledge such as believing milk cartons are wax coated and should not be recycled, or envelopes with windows should not be recycled. They think they know what they need to know about recycling because that’s what they’ve always known.” (Center for Sustainable Behavior & Impact, 2022)

More than seventy percent of people surveyed wish there was an easier way to get information on what can and can’t be recycled in their community. (Center for Sustainable Behavior & Impact, 2022)

Determining the success of their outreach efforts is another challenge that Orange County jurisdictions are facing in the near future. Most jurisdictions need to determine how to measure outreach efforts, as the enforcement started January 1, 2024. Having common standards and methods to measure the success of public education and compliance, and regularly posting this information on the jurisdiction's website related to SB 1383 goals, will give the public an incentive to comply with SB 1383. However, in the interim, there is a significant amount of visual evidence regarding the level of residents' confusion as evidenced by the photo below. The photo is the amount of waste in the first five hours of a workday that was improperly included in residential recyclable containers and delivered to a MRF, where it had to be hand sorted out.



Figure 8: Waste improperly included in recyclable containers Photo: OCGJ

- **Procurement of Recovered Organic Waste Products**

Representatives from most of the jurisdictions the OCGJ interviewed indicated that meeting the procurement requirements of SB 1383 is challenging. This is due to their jurisdictions' State-calculated procurement targets far exceeding the quantity of recovered organic waste products that they can utilize.

To comply with SB 1383, jurisdictions must procure recovered organic waste products to meet an annual procurement target. Recovered organic waste products include:

- *Compost*
- *Mulch*

- *Renewable energy (transportation fuel, electricity, and gas for heating) from anaerobic digestion*
- *Electricity from biomass conversion*

Each jurisdiction's procurement target is calculated by multiplying its population, as reported by the California Department of Finance, by the per capita procurement target (0.08 tons of organic waste per California resident per year). The resulting procurement target can then be multiplied by product conversion factors (as established by the regulations) to determine the annual procurement requirements for recovered organic waste products.

Source: CalRecycle

As one of the survey respondents stated:

"Meeting the annual procurement target presents a significant challenge. In addition, the formula used to calculate a jurisdiction's procurement target does not account for density or square miles. Denser areas equal less space to distribute mulch or compost. More people equals higher procurement target."

As a result, a number of jurisdictions with high procurement targets had to use grant funding to purchase the required amounts of compost/mulch. Because the required target procurement amounts exceeded what they can utilize in their communities, they had to distribute the compost/mulch (via hauler) to agricultural communities outside Orange County. They also admitted that without grant funding, meeting the targets will be even more difficult and will require diverting resources from their own communities or raising rates.

The regulations limit procurement to *"use or giveaway, and do not include the sale of products [14CCR Section 18993.1(e)(1)] so jurisdictions cannot sell the procured recovered organic waste products, such as compost, via a third party."* (CalRecycle, 2022)

Renewable Natural Gas (RNG) is one of the products that can be counted towards meeting a jurisdiction's procurement goal. Haulers operating in Orange County, including Republic, CR&R, and Waste Management, utilize trucks powered by RNG. However, in most cases the RNG they use is not purchased from an approved facility so it cannot be counted towards the required procurement goal. CalRecycle maintains a [list of anaerobic digestion facilities in California](#) to help jurisdictions find renewable gas that may be eligible towards their SB 1383 procurement obligations.

Currently, this list contains only six facilities that produce Compressed Natural Gas (CNG), which in this case is presumably compressed RNG. None of these facilities is located in Orange County. The closest are located in Riverside County (Perris), San Bernardino County (Victorville and Rialto), and San Diego County (Escondido).

The issue of RNG is further complicated by the fact that some sewage treatment plants also produce RNG, which (according to CalRecycle) is mostly ineligible. Below is the

information included in “Frequently Asked Questions” on RNG on the CalRecycle website (CalRecycle, 2022):

Renewable gas derived solely from sewage is ineligible for meeting the procurement target because a Publicly Owned Treatment Work (POTW) is not a solid waste facility and therefore not in the scope of the legislative intent of SB 1383. Sewage is also not typically destined for a landfill, so its use does not help achieve the landfill diversion goals.

However, [Title 14](#) explicitly authorizes POTWs to accept food waste without a solid waste facility permit, making it functionally similar to incentivizing biomethane from a solid waste facility. Therefore, it is justifiable to allow the portion of renewable gas resulting from the digestion of food waste at POTWs to count toward the procurement targets, provided the POTW accepts food waste from specified facilities or operations [see 14 CCR Section 18993.1(h)(1)] and meets all other applicable regulatory requirements. For more information, please see the [Final Statement of Purpose and Necessity](#) (pages 178-180).

The issue of procurement difficulties encountered by California jurisdictions is mentioned in the Little Hoover Commission 2023 report on the implementation of SB 1383. The Commission recommended that “the state should expand the list of compliance pathways and products eligible to count toward a jurisdiction’s procurement requirements.” (Little Hoover Commission, 2023)

- **Coordination and Vision for the Future**

In a county with thirty-four cities and several other jurisdictions, coordination, collaboration, and sharing resources and best practices can be a challenge. The OCGJ learned that county-wide groups meet on a regular basis, including a waste management coordinators’ group, a haulers’ group, and a market development group. Additionally, the OCGJ learned that OCW&R has assumed a leadership role in positioning Orange County for a greener, more sustainable future.

OCW&R has a clear vision for a regional, county-wide approach to the implementation of SB 1383, which includes not only organics and edible food strategies, but also market creation and development, procurement and compliance, and regional standardization and collaboration.

The details of their vision are outlined in the 2024 presentation to the legislative group, which is available on the OCW&R website (OC Waste & Recycling, 2024).

The following slide has been taken from this presentation.

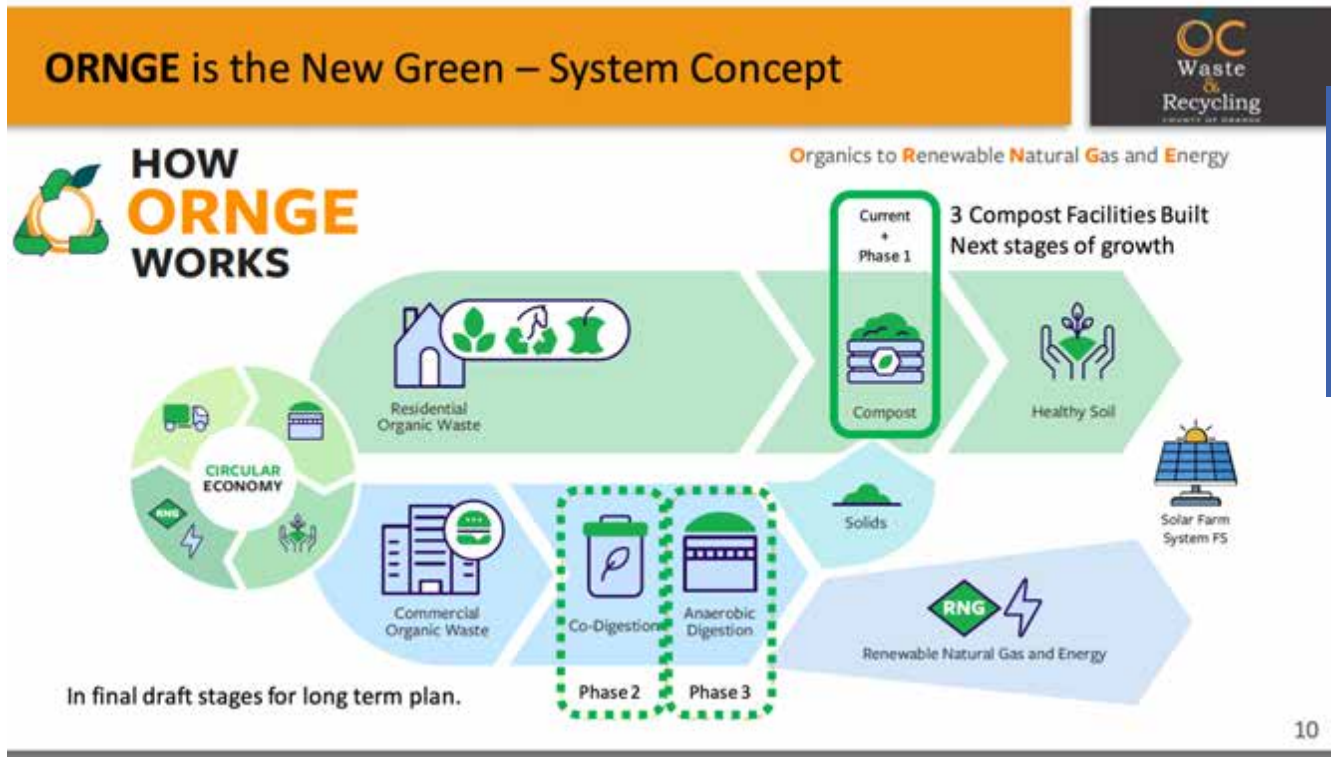


Figure 9. Circular economy concept for Orange County

Source: OCW&R

- **Other Issues**

Multi-family housing units: While not within the scope of this report, it should be noted that services to multi-family units still pose a significant challenge. Jurisdictions are required to provide organic waste collection to multi-family units. Many find it difficult to provide a three-bin source-separated service to these units due to limited space. Creative solutions, such as providing smaller organics containers or containers that are placed in a common area to serve multiple units, have been utilized by Orange County cities, but full compliance is difficult to achieve.

The cost of SB 1383 implementation: The Little Hoover Commission Report states that the gross cost of implementation was determined to be \$40 billion between 2019 and 2030. (CalRecycle, 2019) “About 5 percent of this figure represents soft costs (i.e. the work local jurisdictions must do to create organic waste programs, educate the public, and ensure health, safety, and quality control measures are met). The other 95 percent represents the cost of disposing of organic waste, including constructing infrastructure” (Little Hoover Commission, 2023). Most Orange County jurisdictions interviewed by the OCGJ indicated that they had to increase their residential and/or business waste collection rates to cover the cost of expanded services mandated by SB 1383.

COMMENDATIONS

- County of Orange, OC Waste & Recycling is commended for having successfully met SB 1383 mandates, developing new composting infrastructure, a model education and outreach program, moving towards robust and repurposing recycling programs, and developing gas-to-energy facilities to produce renewable energy.
- City of Mission Viejo, Solid Waste Program is commended for their proactive implementation of SB 1383 mandates, distributing compliant waste containers to all residents, and producing a robust outreach and education program using numerous delivery methods.
- City of Santa Ana Public Works, Trash and Recycling Program is commended for proactively revising their hauler contract to meet SB 1383 requirements, producing a notable and ongoing outreach and education program, distributing compliant waste containers to all residents, and fostering a highly collaborative relationship with their hauler.

FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “Talking Trash: Recyclables and Organic Waste,” the 2023-2024 Orange County Grand Jury has arrived at the following principal findings:

Container Standardization

- F1. The majority of Orange County jurisdictions have not yet required their haulers to distribute residential containers that meet the CalRecycle standardized colors, leaving legacy and often incorrect or illegible labeling and embossing in place.

Funding and Enforcement

- F2. While a jurisdiction may not delegate its overall responsibility for compliance with State requirements to a hauler, some jurisdictions have designated the task of imposing and collecting fines from residents to the hauler in accordance with State law. However, not all jurisdictions are clear on who ultimately receives and retains the collected fines.
- F3. All jurisdictions will eventually start collecting fines from residents for non-compliance, but some have not yet determined whether the revenues will go into a waste and recycling enterprise fund or into the jurisdiction’s general fund.

Education and Outreach

- F4. In most jurisdictions, education and outreach is a joint effort between jurisdiction, hauler, and sometimes consultants, with the jurisdiction reviewing the materials before publication. The methods of dissemination vary by jurisdiction and hauler but frequently rely on a resident actively seeking the information, which requires the resident to have some awareness of the new mandates in the first place. Most efforts primarily revolve around intermittent hard-copy paper mailings.
- F5. Most jurisdictions currently have no way to accurately determine the effectiveness of their respective education and outreach efforts other than the eventual inspections or audits that will take place.

Procurement of Recovered Organic Waste Products

- F6. There is some concern that there are not enough composting facilities in Orange County to process all organic waste, forcing some jurisdictions/haulers to transport it long distances for processing.
- F7. There is currently no infrastructure in the county that is a State-approved source of Renewable Natural Gas (RNG) and energy from organic waste. Jurisdictions that use vehicles running on RNG procured from non-approved sources cannot count that RNG towards fulfillment of their procurement requirement.
- F8. The formula used by the State to calculate a jurisdiction's procurement target does not account for a jurisdiction's population density or geographic size (square miles). As such, meeting the annual procurement target presents a significant challenge for most jurisdictions.
- F9. Many Orange County jurisdictions were unable to meet the requirement in SB 1383 to reduce organic waste sent to landfills by the 2020 deadline. It is unlikely the required seventy-five percent reduction will be achieved by the 2025 deadline.
- F10. The current procurement requirements mandated by SB 1383 are unrealistic and likely unachievable by most jurisdictions.

RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “Talking Trash: Recyclables and Organic Waste,” the 2023-2024 Orange County Grand Jury makes the following recommendations:

Container Standardization

- R1. All jurisdictions should expedite the acquisition and distribution of residential containers that meet the CalRecycle standardized colors. Additionally, until the compliant containers can be distributed, all jurisdictions should ensure the distribution of labeling for non-compliant containers that explain the current SB 1383 requirements applicable to their jurisdiction by June 30, 2025.

Funding and Enforcement

- R2. By December 31, 2024, all jurisdictions should ensure their waste hauling agreements are in compliance with State statute so that haulers may be designated to perform certain required tasks but are not improperly delegated overall responsibility for compliance. Additionally, all jurisdictions should ensure that any fines collected by a hauler are forwarded to the jurisdiction.
- R3. The OCGJ recommends that all jurisdictions utilize a dedicated waste and recycling enterprise fund for collection of fines for non-compliance with SB 1383 by December 31, 2024.

Education and Outreach

- R4. By December 31, 2024, all jurisdictions should diversify the methods and media used for education and outreach to include, among others, various social media platforms, emails to residents, newspaper, television, flyer mailings, community events, and appearances at other public gatherings.
- R5. By December 31, 2024, and in order to gauge the effectiveness of their education and outreach efforts, all jurisdictions should develop new methods to engage residents directly to help determine their awareness of the requirements associated with SB 1383, such as surveys, online quizzes, and door-to-door polling.

Procurement of Recovered Organic Waste Products

- R6. By June 30, 2025, the OCGJ recommends that all jurisdictions participate in the OCW&R-led efforts to develop a coordinated county-wide approach to the organics recycling infrastructure and programs as well as procurement requirements associated with SB 1383, working towards creating circular economy as a long-term goal.

- R7. By December 31, 2024, the Orange County Board of Supervisors and all Orange County cities should lobby appropriate members of the State Legislature and/or CalRecycle to revise the organic waste diversion targets to better reflect Orange County's waste amounts, revise the jurisdictions' procurement requirements to better represent the limited options currently available for procurement, the jurisdictions' varying populations, population densities, and geographic size, and to delay associated enforcement actions by the State.

RESPONSES

The following excerpts from the California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury report:

Section 933

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

Section 933.05.

(a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons thereof.

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, thereof.

Responses Required

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from:

Findings – 90 Day Response Required

OC Board of Supervisors:	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
City Councils of:	
Aliso Viejo	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Anaheim	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Brea	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Buena Park	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Costa Mesa	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Cypress	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Dana Point	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Fountain Valley	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Fullerton	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10

Talking Trash: Recyclables and Organic Waste

Garden Grove	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Huntington Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Irvine	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
La Habra	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
La Palma	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Hills	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Niguel	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Laguna Woods	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Lake Forest	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Los Alamitos	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Mission Viejo	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Newport Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Orange	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Placentia	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Rancho Santa Margarita	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
San Clemente	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
San Juan Capistrano	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Seal Beach	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Stanton	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Tustin	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Villa Park	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10
Westminster	F1, F2, F3, F4, F5, F6, F7, F8, F9, F10

Talking Trash: Recyclables and Organic Waste

Yorba Linda

F1, F2, F3, F4, F5, F6, F7, F8, F9, F10

Recommendations – 90 Day Response Required

OC Board of Supervisors:

R1, R2, R3, R4, R5, R6, R7

City Councils of:

Aliso Viejo

R1, R2, R3, R4, R5, R6, R7

Anaheim

R1, R2, R3, R4, R5, R6, R7

Brea

R1, R2, R3, R4, R5, R6, R7

Buena Park

R1, R2, R3, R4, R5, R6, R7

Costa Mesa

R1, R2, R3, R4, R5, R6, R7

Cypress

R1, R2, R3, R4, R5, R6, R7

Dana Point

R1, R2, R3, R4, R5, R6, R7

Fountain Valley

R1, R2, R3, R4, R5, R6, R7

Fullerton

R1, R2, R3, R4, R5, R6, R7

Garden Grove

R1, R2, R3, R4, R5, R6, R7

Huntington Beach

R1, R2, R3, R4, R5, R6, R7

Irvine

R1, R2, R3, R4, R5, R6, R7

La Habra

R1, R2, R3, R4, R5, R6, R7

La Palma

R1, R2, R3, R4, R5, R6, R7

Laguna Beach

R1, R2, R3, R4, R5, R6, R7

Laguna Hills

R1, R2, R3, R4, R5, R6, R7

Laguna Niguel

R1, R2, R3, R4, R5, R6, R7

Laguna Woods

R1, R2, R3, R4, R5, R6, R7

Lake Forest

R1, R2, R3, R4, R5, R6, R7

Los Alamitos

R1, R2, R3, R4, R5, R6, R7

Mission Viejo

R1, R2, R3, R4, R5, R6, R7

Newport Beach

R1, R2, R3, R4, R5, R6, R7

Orange

R1, R2, R3, R4, R5, R6, R7

Placentia	R1, R2, R3, R4, R5, R6, R7
Rancho Santa Margarita	R1, R2, R3, R4, R5, R6, R7
San Clemente	R1, R2, R3, R4, R5, R6, R7
San Juan Capistrano	R1, R2, R3, R4, R5, R6, R7
Seal Beach	R1, R2, R3, R4, R5, R6, R7
Stanton	R1, R2, R3, R4, R5, R6, R7
Tustin	R1, R2, R3, R4, R5, R6, R7
Villa Park	R1, R2, R3, R4, R5, R6, R7
Westminster	R1, R2, R3, R4, R5, R6, R7
Yorba Linda	R1, R2, R3, R4, R5, R6, R7

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GLOSSARY

AB	Assembly Bill
CalRecycle	California Department of Resources Recycling and Recovery

Circular Economy	Current economic models consist of acquiring materials, making them into products, and then those products become waste. A circular economy reduces material use, redesigns materials and products to be less resource intensive, and recaptures “waste” as a resource to manufacture new materials and products.
Compost	Compost is made from a variety of organic materials and is used to add nutrients and improve soil structure by mixing it into the soil.
Mulch	Mulch is typically made from a single material like straw, grass clippings, or wood chips and is spread on top of the soil to suppress weeds, retain moisture, regulate soil temperature, and protect plant roots.
MRF	Material Recovery Facility
OCGJ	Orange County Grand Jury
OCW&R	OC Waste & Recycling, a department of the County of Orange
Organic Waste	Solid wastes originated from living organisms and their metabolic waste products, and from petroleum, which contain naturally produced organic compounds, and which are biologically decomposable by microbial and fungal action into the constituent compounds of water, carbon dioxide, and other simpler organic compounds. Sometimes called biodegradable waste.
ORNGE	Organics to Natural Gas and Energy
POTW	Publicly Owned Treatment Work
Recycling	Using waste as material to manufacture a new product. Recycling involves altering the physical form of an object or material and making a new object from the altered material.
RNG	Renewable Natural Gas
SB	Senate Bill
SLCP	Short-Lived Climate Pollutants
Solid Waste	Discarded or abandoned materials. Solid wastes can be solid, liquid, semi-solid or containerized gaseous material.
Waste	Objects or materials for which no use or reuse is intended.

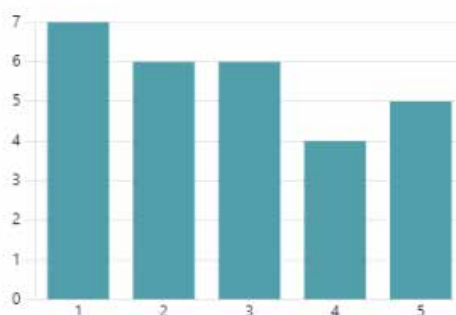
APPENDICES

APPENDIX A – SURVEY RESULTS

Survey participants were asked to mark their progress on a scale from 1 (significant challenges) to 5 (excellent progress) for each of the nine questions. On the following bar graphs, the 'x' axis (horizontal) depicts the rating scale from 1 to 5. The 'y' axis (vertical) represents the number of respondents that gave themselves a particular rating.

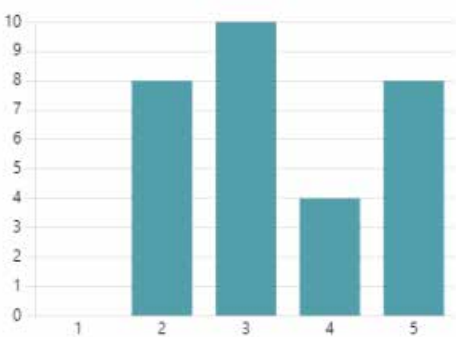
Was your city successful in meeting the goal of reducing organic waste disposal 50% by 2020?

2.79
Average Rating



Are you confident that your city will meet the goal of reducing organic waste 75% by 2025?

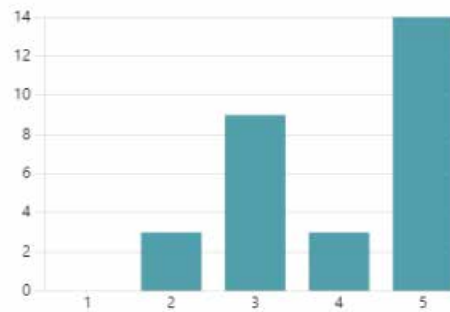
3.40
Average Rating



Talking Trash: Recyclables and Organic Waste

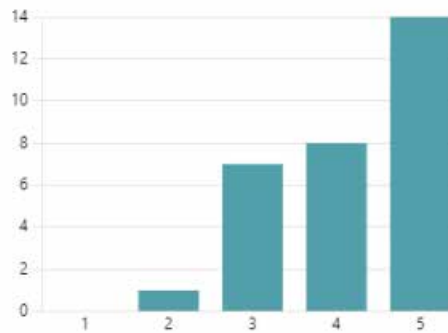
How would you rate your city's success in providing organic waste collection services to all residents?

3.97
Average Rating



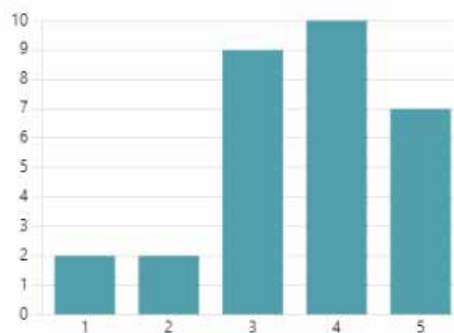
How successful is your city in recycling these organic materials?

4.17
Average Rating



How would you rate your confidence that city residents have been educated to have sufficient knowledge of the composting requirements (and associated restrictions) with the proper disposal of yard trimmings and food scraps?

3.60
Average Rating

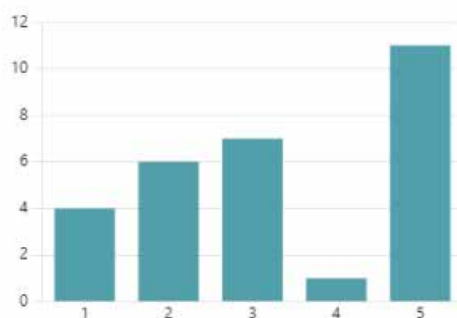


Talking Trash: Recyclables and Organic Waste

How successful was your city in procuring a quantity of recovered organic waste products annually?

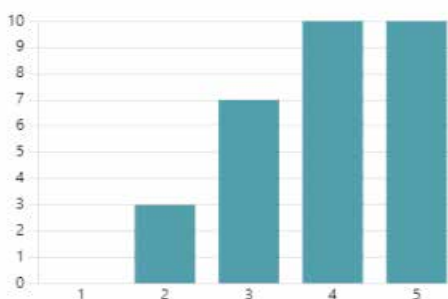
Report
2

3.31
Average Rating



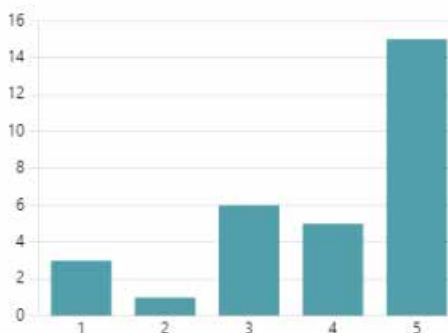
How would you rate your city's success in meeting the record-keeping requirements associated with SB1383, including but not limited to, inspection and enforcement, compliance reviews, investigation of complaints, and alleged violations?

3.90
Average Rating



How satisfied are you that your current agreements(s) with the hauler(s) that service your city are adequate to comply with all provisions of residential services required by SB1383?

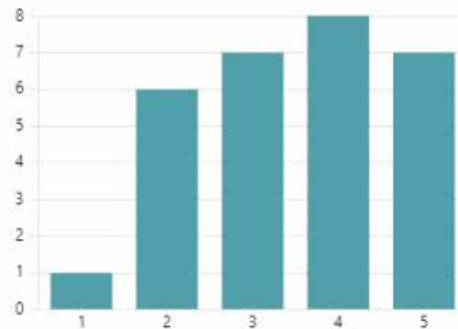
3.93
Average Rating



Talking Trash: Recyclables and Organic Waste

Are your city's current staffing levels that are, or will become, responsible for all aspects of full SB1383 compliance adequate to meet the tasks at hand?

3.48
Average Rating



Report
2

The following examples of additional comments or explanations for their answers to the questions above were provided by survey respondents:

“Comprehensive implementation and effective management of SB 1383 would require additional resources and financial support. Despite our [jurisdiction’s] proactive approach, including securing a new hauler/franchise agreement . . . that aligns with SB 1383’s requirements and achieving near-complete adoption of these guidelines, there remains a widespread reluctance towards organic recycling. Ongoing educational efforts are in place and will continue; however, achieving significant behavioral change and compliance will require additional resources.”

“[Our jurisdiction has] been working on compliance regarding SB 1383 with new franchise agreements, building out local infrastructure, meeting the SB 619 procurement targets, providing education and outreach, programs are being implemented to incrementally improve participation and increase diversion. We are increasing staffing levels to help with continued support for compliance as it requires increased effort for more inspections, waste characterizations, more education and outreach, further program development, market creation and development for compost and mulch, inspections, education, and enforcement support. Although meeting the 75% goal requires more heavy lifting, I anticipate we will see incremental improvements from our efforts.”

“SB 1383 has proven to challenge the recycling habits of many throughout the [jurisdiction]. Through updated franchise agreements . . . and CalRecycle grant funding, we have been able to educate and encourage change in disposal habits as required via SB 1383. Additional outreach outlining the requirements and benefits of recycling organic material will be key in successfully transitioning residents and business owners to recycle organic material.”

“[We] started a new franchise agreement after an RFP process This allowed us to incorporate all hauler-related SB 1383 compliance activities and select an innovative

organic waste collection program. We are facing procurement challenges as energy related products are not readily available (particularly) RNG for collection vehicles. Staffing may prove to be a challenge, depending upon the amount of complaints, inspections, and enforcement actions we are required to address.”

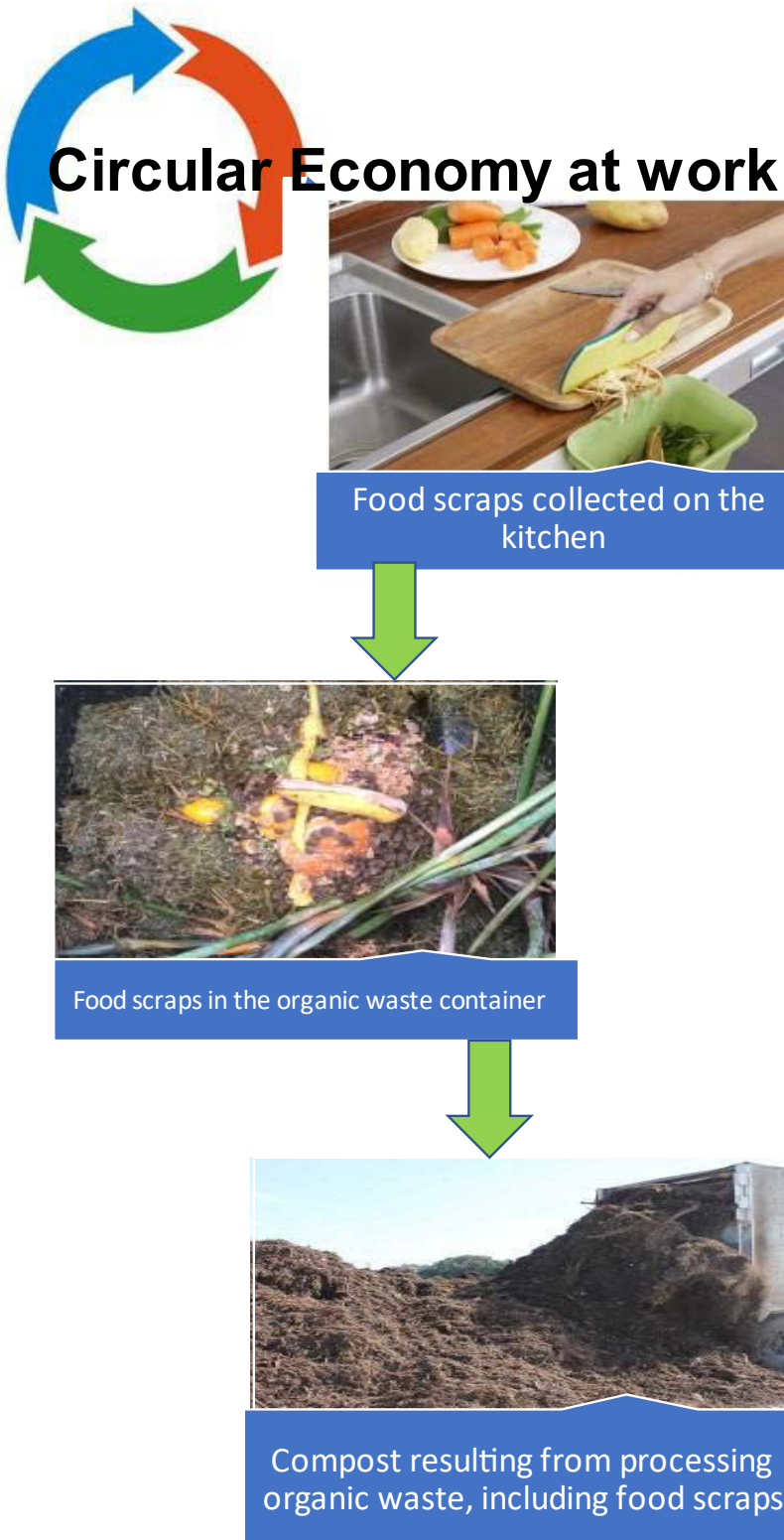
“Procurement [is our] biggest challenge.”

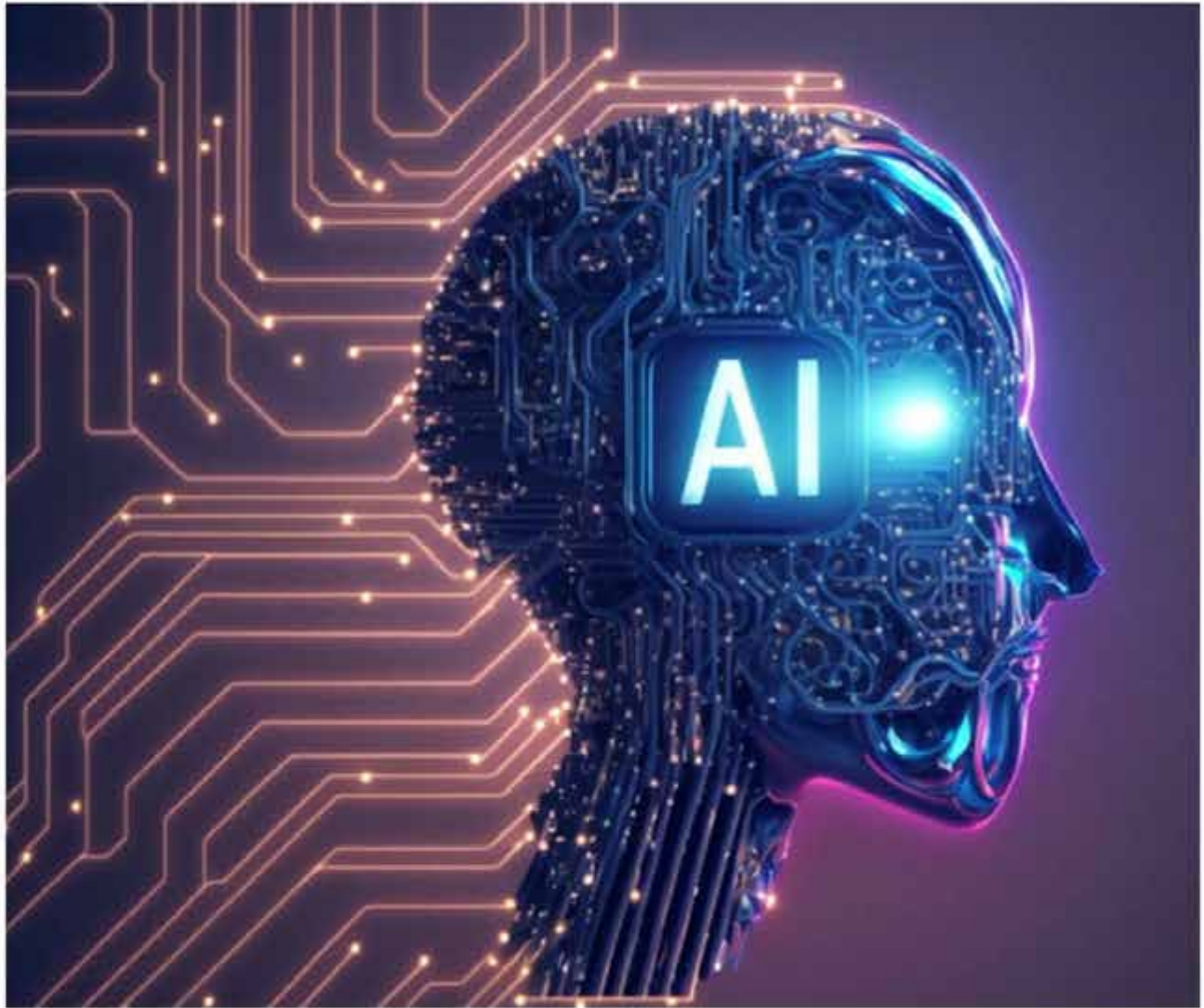
“Our agreement with [the hauler] required that they implement 1383 compliant programming immediately for residential. It also includes education/outreach, contamination monitoring, purchase or compost/mulch on our behalf. Residential 3-cart was implemented on day one of the agreement. However, even with education, residents are hesitant to participate with food in the organics container due to not being allowed to use compostable bags and therefore attracting bugs and vermin.”

“Meeting the annual procurement target presents a significant challenge. [The hauler’s] collection trucks are fueled with RNG. The RNG purchased is California produced, though not SB 1383 qualified. In addition, the formula used to calculate a jurisdiction’s procurement target does not count for density or square miles. Denser areas equal less space to distribute mulch or compost. More people equals higher procurement target.”

“As with any new program where you need to change habits and behavior, it is going to be a long-term project to get adults in the habit of separating their food scraps. State of CA should implement a statewide outreach campaign, and not just rely on local jurisdictions to provide all the outreach.”

APPENDIX B – CIRCULAR ECONOMY STARTS IN YOUR KITCHEN





Use of Artificial Intelligence in Public Schools (K-12)

It's Not Elementary



GRAND JURY 2023-2024

Table of Contents

SUMMARY.....	1
BACKGROUND.....	1
REASON FOR THE STUDY	3
METHOD OF STUDY.....	5
INVESTIGATION AND ANALYSIS.....	6
Benefits and Risks of Using AI	8
Major Concerns Regarding AI.....	11
COMMENDATIONS.....	12
FINDINGS	13
RECOMMENDATIONS.....	13
RESPONSES.....	14
REQUIRED RESPONSES.....	15
<i>Findings- 90 Day Response Required.....</i>	<i>15</i>
<i>Recommendations- 90 Day Response Required</i>	<i>16</i>
REFERENCES.....	17
BIBLIOGRAPHY	19
GLOSSARY	19
APPENDIX A	21

SUMMARY

Artificial Intelligence (AI) has swiftly evolved into an integral part of society, particularly within the educational realm. The field of education has witnessed AI's transformation from a scientific concept to readily available technology, ChatGPT being one of the most prominent applications today. Like the Internet, it is embraced by many educators and students alike. The potential of AI in revolutionizing education, from enhancing classroom instruction to facilitating data analysis, is immense. However, alongside its promise, AI presents significant disruptions, necessitating thoughtful considerations to avoid potential pitfalls. This Grand Jury report not only explores the benefits and concerns of AI in Orange County education but underscores the pressing need for responsible action by school districts in response to student engagement with AI.

The 2023-2024 Orange County Grand Jury (OCGJ) undertook a review of AI utilization in Orange County's public K-12 schools. Unveiling crucial insights from educators and IT professionals, this Grand Jury report highlights a glaring concern: the absence of consistent, standardized policies governing AI's application in most Orange County's K-12 school districts. This deficiency places students at risk of encountering disparate and inequitable learning environments due to the unchecked use of AI.

The Grand Jury's findings underscore a critical junction in Orange County's educational future, urging decisive action to direct the transformative potential of AI while mitigating its inherent challenges. Through the implementation of prudent policies, comprehensive training initiatives, and collaborative efforts, Orange County stands poised to lead the charge in fostering an ethically grounded and forward-thinking use of AI within an expanding educational frontier.

BACKGROUND

The term Artificial Intelligence (AI) was coined in the 1950s by a mathematician and computer scientist named John McCarthy (see fig. 1). AI was basically a machine or computer that was able to mimic human intelligence. During the subsequent seven decades, AI has made enormous strides in development, including: in 1997, the computer Deep Blue defeated the world chess champion; in 2002, iRobot launched the first vacuum cleaner "Roomba" with an AI powered navigation system; and in 2011, IBM's Watson, went up against two former Jeopardy! champions and won (see fig. 1).

In 2022, Open AI released ChatGPT to the public, a generative AI platform with the ability to generate text, images, and other media utilizing information it had "learned" from input by the developers and users (see fig. 1). This AI platform was an instant hit in

Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

education, from teachers using it to assist in lesson plans to students using the platform for help with schoolwork (and sometimes, unfortunately, to cheat).

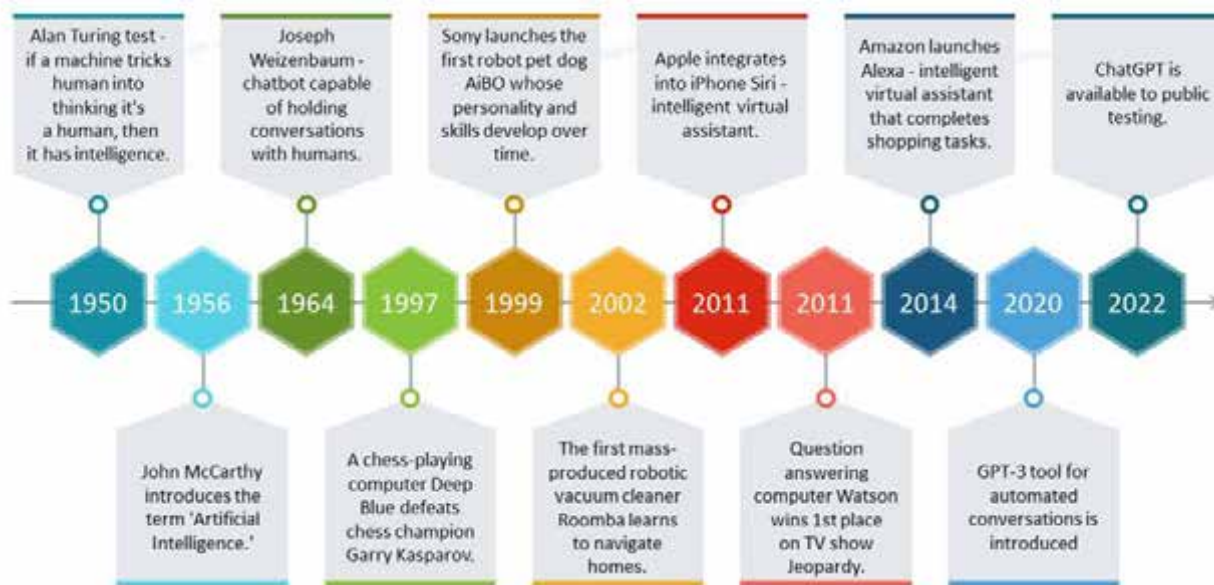


Figure 1. Timeline of the development of Artificial Intelligence. *Artificial Intelligence Development History Timeline*, infoDiagram, accessed March 2024, https://www.infodiagram.com/diagrams/ai-diagrams-machine-learning-ppt-template/#slide_8.

Just about every time one uses a smart phone, a tablet, shopping websites, or news websites, AI is running in the background. Have you ever started typing a word in a text, e-mail, or chat, and see words being suggested for you? This is AI in motion. Ever shopped on-line, say for a new blouse, and then start to see pop-up ads for blouses and other similar apparel? This is AI in motion. Ever surfed the Internet and a helpful little “chatbot” appears in the lower right corner of your screen, asking you if you need assistance? This is AI in motion.

Focusing on the use of AI in our public schools, students can (and do) utilize AI to research subject matter, write essays, generate full topic reports, and even write music and lyrics with a simple search using an AI platform. Whether or not the school has policies on the use of AI, a simple search on one’s smartphone can lead students to answers and data in just seconds.

“Why should I care? AI doesn’t impact me...”

Implementation and the use of AI is moving and evolving at a lightning pace. AI's rapidly evolving capabilities, and its ability to affect (even disrupt) our approach to education is profound. While AI is actively utilized by some educators and students in Orange County, many schools and districts have little or no policy in place. The OCGJ also determined that there is wide disparity when it comes to policies surrounding, or even acknowledging the existence of, the use of AI technology in Orange County K-12 schools. While some schools and districts fully embrace this new technology, others have restricted, even banned, the use of AI in the classroom.

This is why you should care.

AI has the potential to revolutionize education by empowering teachers, enhancing student learning experiences, and promoting a more inclusive and efficient educational environment.

REASON FOR THE STUDY



Figure 2. Image of boy holding laptop while wearing virtual reality headset. *Front view of boy holding laptop while wearing virtual reality headset*, FreePik, accessed April 2024, https://www.freepik.com/free-photo/front-view-boy-holding-laptop-while-wearing-virtual-reality-headset_8400510.htm.

It seems that nearly every day, AI is in the news. Newspapers, podcasts, magazines, news feeds, TV shows—it is everywhere. On a global level, world leaders continue to discuss AI and its use in geo-politics, tackling human trafficking, military strategies, and education. On a national level, a memorandum was released in March 2024 by the

Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

Office of Management and Budget, providing new guidance on how federal agencies can and cannot use artificial intelligence (Shivaram 2024).

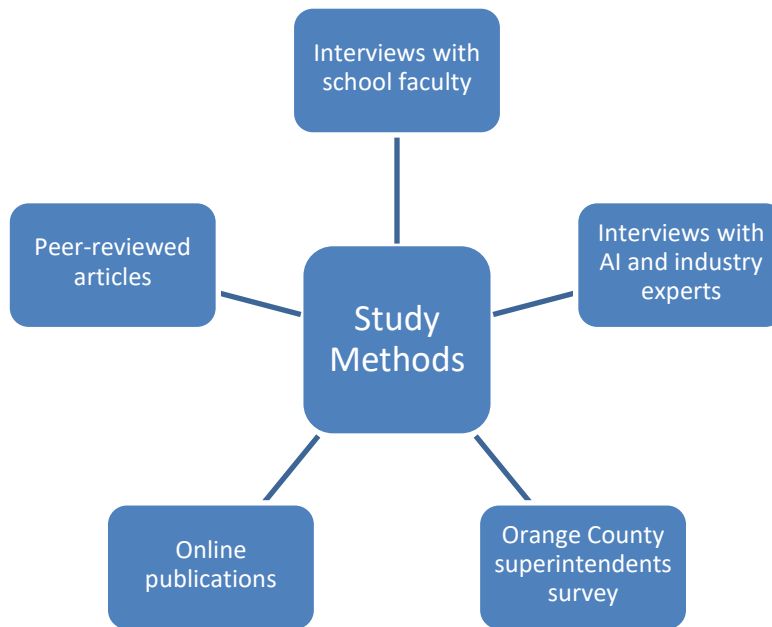
In California, the Office of the Governor issued an executive order to study the development, use, and risks of AI technology throughout the State and to develop a deliberate and responsible process for evaluation and deployment of AI within State government (Office of Governor, Gavin Newsom 2023).

Locally, one needs to go no further than Orange County news feeds and papers to see recent stories of local high school students nefariously utilizing AI to artificially create photographs of student faces over pictures of bodies in various stages of undress (Fry 2024), known in the AI world as “deepfakes.” On the other hand, AI is being used throughout several Orange County school districts in a positive manner, for example, by students using AI platforms to learn more about a topic of interest or overcome writer’s block. In one Orange County school district, music students can use an AI platform to help fulfill an assignment, such as writing a song complete with lyrics.

The OCGJ’s investigative objective was to attain a better understanding of the use of AI among students, teachers, and administrators in Orange County K-12 school districts and to discover how their administrations govern AI use in the classroom. While the current and future use of AI is widely discussed and scrutinized throughout various communities and in the media, the overall application and use of the technology in K-12 education in Orange County school districts is relatively unknown. The understanding and pace of AI use and implementation differs among school districts due to various considerations such as infrastructure, policies, and educational priorities.

Studying and preparing a report on the risks and the benefits of integrating AI in K-12 education can highlight how to enhance learning, provide additional support for diverse learning styles, and help prepare students for a tech-driven future. This report sets out specific findings and recommendations to formalize plans and promote collaborative efforts to enhance the effective use of AI within Orange County school districts. These findings can also serve as an informational guide for public awareness, addressing the complexity of AI and the potential harm that could arise if misusing this readily available technology. AI is a multidimensional and complicated topic; it ties together the excitement of advancing our local education system while emphasizing the need for human oversight. AI will require enhanced security measures, data validation, and the absolute necessity for providing ethical use guidelines.

METHOD OF STUDY



The OCGJ collected and verified information from this investigation through multiple sources and statements made during interviews with key school officials, school superintendents, and teachers. The OCGJ also conducted extensive research of current online and print articles addressing AI.

The OCGJ held in-person interviews with:

- Select Orange County school superintendents and teachers
- AI think-tank experts
- Representatives from the Orange County Department of Education (OCDE)
- County of Orange, Orange Unified School district (OUSD), and OCDE Information Technology (IT) executives
- Executives for the Orange County CA Leadership Alliance

The OCGJ distributed an online survey (see Appendix A) to Orange County public K-12 superintendents. Excluded from this survey were charter schools, online schools, and private schools.

The OCGJ researched articles and websites noted in the Bibliography of this report.

INVESTIGATION AND ANALYSIS

What is AI and how does it work in education?

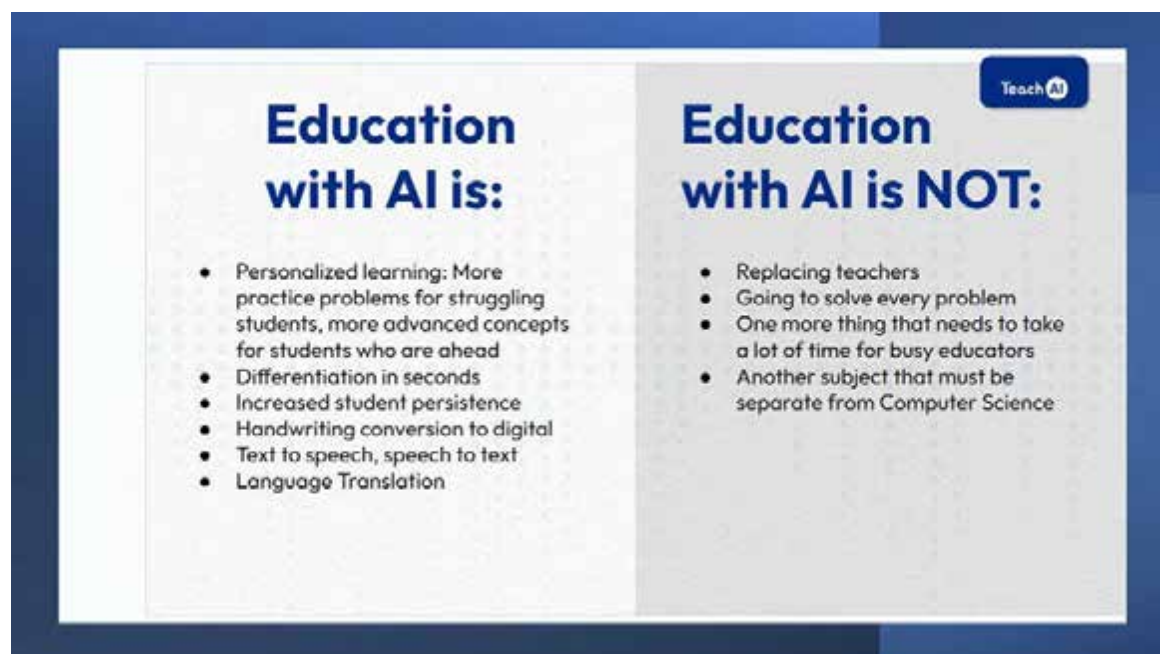


Figure 3. Infographic describing what AI is and is not in education. *Presentation: AI Guidance for Schools Toolkit*, TeachAI, accessed March 2024, <https://www.teachai.org/toolkit-presentation>.

AI is now an integral part of our daily lives, from virtual assistants to recommendation algorithms that determine the content on social media feeds. At its core, AI refers to computer systems designed to perform tasks that typically require human intelligence, such as understanding natural language, recognizing patterns, making decisions, and learning from data. AI systems are able to ingest large amounts of data, in multiple forms, such as text, images, or numbers, resulting in useful data and learned information for the user.

Today, it is essential that both educators and students demystify this technology and grasp how it produces output. An increased knowledge about AI improves safety and efficacy when utilizing AI systems and supports understanding of potential inaccuracies and biases that may exist in its outputs.

Skills in the workplace of the future will call for knowledge of artificial intelligence and machine learning, cloud computing, project management, and social media. A report by the World Economic Forum in 2023 indicates that 1.1 billion jobs are likely to be impacted by technology, including AI (Katsoudas 2024).

The OCGJ, after extensive research and discussion with Orange County superintendents, determined that in our current technology-driven world, our schools

Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

and districts are not aligned when it comes to policies or guardrails surrounding the use of AI.

The OCGJ sent a survey to all K-12 school superintendents in 28 Orange County school districts (see fig. 4); 22 responses were received. The results clearly demonstrated that the use of AI in the classroom is a known entity, however handled differently amongst the school districts (Appendix A).



Figure 4. Map of Orange County School districts. *Map of Orange County, CA school districts*, Ron For Homes, accessed March 2024, <http://www.ronforhomes.com/images/orangecountyschooldistricts.jpg>.

Benefits and Risks of Using AI

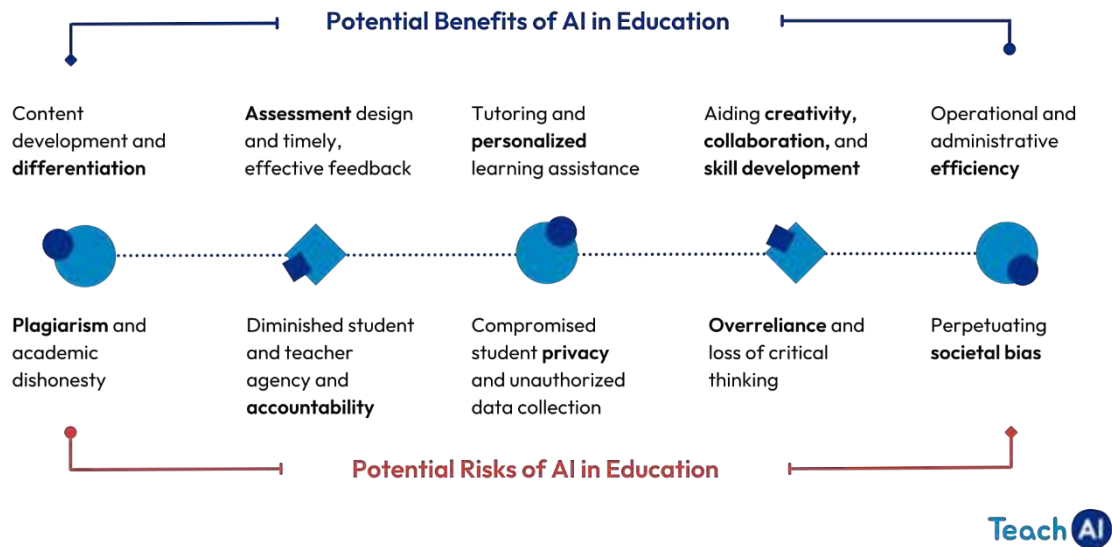


Figure 5. Potential risks and benefits of AI in education. TeachAI, accessed March 2024, <https://www.teachai.org/toolkit>.

In reviewing the OCGJ AI Survey results, along with speaking to local education professionals, such as classroom teachers, IT experts, school superintendents, and local AI think-tank leaders, the OCGJ gleaned important information about how AI profoundly impacts educators and students alike. The following is reflective of those conversations and survey results.

Teachers and Educators:

- **Time and Efficiency and Administrative Tasks Automation**
 - AI can **automate routing administrative tasks**, such as grading assignments, managing attendance, and organizing schedules. This frees up teachers' time, allowing them to focus more on **building relationships with students** and fostering learning and development
- **Personalized Learning**
 - AI tools can **customize learning experiences** for individual students by analyzing student data, AI can recommend personalized resources, adapt content, and provide targeted interventions
 - Teachers can use AI to **identify students' strengths**, weaknesses, and learning styles, tailoring their teaching methods accordingly

- **Enhanced Teaching Practices**

- AI can provide **real-time insights** into student performance, helping teachers identify struggling students early and intervene effectively
- Teachers can use AI-powered platforms to create **adaptive lesson plans**, adjusting content based on student progress and needs

AI can assist in making education more equitable and accessible.

- **Support for Inclusive Education**

- AI can assist in making education more **equitable and accessible**. For example, it can provide **speech-to-text** or **text-to-speech** capabilities for students with some learning disabilities
- Teachers can leverage AI to create **multilingual resources** and support diverse student populations

- **Professional Development**

- AI can offer **personalized professional development** for teachers. It can recommend relevant courses, workshops, and resources based on their specific needs
- Teachers can stay updated on the latest educational research and trends through AI-driven platforms

- **Data-Driven Decision Making**

- AI helps teachers analyze large amounts of data, enabling them to make informed decisions about **curriculum design, classroom management, and student support**
- Teachers can track student progress, identify learning gaps, and adjust their teaching strategies accordingly

- **Reduced Workload and Burnout Prevention**

- By automating repetitive tasks, AI reduces teacher workload and may help to prevent burnout
- Teachers can focus on **creative lesson planning, individualized instruction, and mentoring students**

Students:

AI facilitates student access to high-quality educational resources.

- Students may benefit enormously from the use of AI in the school system because it will enable their **education to be personalized**. Teachers may tailor an educational program for each student based on their unique needs, learning styles, and abilities
- AI may help students identify their own strengths as well as the areas they need to focus on for improvement. It can also motivate **students to take ownership** of their learning, resulting in even greater accomplishments
- AI may have a positive impact on students' learning experience by fostering a deeper connection between students and their coursework. It might **ignite their curiosity and passion for learning**. It could also promote more classroom participation and interaction which could lead to more meaningful discussions and the retention of material
- AI will **improve interaction between the teacher and the student**. Technology, whether it is AI or other forms, will never be able to replace the value gained by the student as a result of a relationship with a teacher who cares about them and their educational progress at a human level
- AI will help those students who get stuck on a difficult assignment by giving them **immediate assistance**, both in and outside the classroom, to help them overcome the issue. By asking AI specific questions related to their assignment the student has an avenue to work through problems and obstacles in the writing process
- AI helps the **student become more independent** regarding the learning process instead of waiting for a teacher to make themselves available to assist them
- With the help of AI powered virtual and augmented reality tools **students may be able to understand complex concepts** and symbolism used in books they are reading and having to do a book report on which will bring learning to life and make learning more exciting and engaging

Major Concerns Regarding AI

- With the use of AI in the classroom, **ethics** are a primary consideration. Educational institutions must ensure the protection of students' personal data and they must safeguard every student from the use of AI by students to create inappropriate content affecting other students
- With the emergence of AI in schools there is a **perception that some jobs will be eliminated** as a result of automation of administrative tasks. But there will also be new jobs created as a result of the new technology. Many of the jobs that will be created will be high-paying technical jobs needed to implement and maintain AI systems into the schools (U.S. Department of Education, Office of Educational Technology 2023)
- Manipulation of online media and news using **AI can create fake news** by creating realistic photos, videos, audio clips or by replacing the image of one figure with that of another in an existing picture or video
- Students may **become too dependent** on the use of AI and may lose the ability to solve problems creatively which could affect the development of the students' critical thinking and their ability to learn from their mistakes
- Students who **rely heavily on AI, believing that AI's answers are always correct and accurate**, will find that AI can have a negative impact on their learning experience. The students must understand that AI is a tool that uses algorithms to process collected data to generate answers. Those answers will only be as good as the data collected and sometimes those answers will be incorrect
- In the past, students were required to memorize historical dates, authors, formulas, equations, and other vital information. With use of AI tools, students may rely less on memorization of information because of the easy access to data via AI and the internet. For this reason, students may lose the ability to memorize information because of "**collective forgetting**" (the process by which groups or societies gradually lose attention or memory of certain cultural pieces or events over time)

"Becoming too dependent on a tool without accessing higher order thinking skills..."

-concern expressed by school district COO

- With the launch of AI, there is a great deal of concern from educators regarding students **cheating** on their assignments by using AI to perform homework and other tasks they are expected to do themselves. This, of course, is a problem
- AI is a tool that can be used **ethically or unethically**. It is important that schools address ethical and unethical use of the tool, so students understand the difference. For example, unauthorized use of AI to complete school assignments is unethical, but authorized use of AI to assist in researching an assignment is ethical. The unauthorized use of AI during an online test (in the absence of proctors) would also be unethical. The same is true of using AI to plagiarize others' content
- Schools will need to choose **AI platforms** that best assist and guide the students while helping them perform their assignments
- The **potential cost** to implement AI in education may be cost-prohibitive. Procurement of new hardware and software needed to run AI along with the necessary infrastructure may be an expensive undertaking for some school districts. AI implementation will also include the cost to maintain the hardware and the software, updates, repairs, and the training of administrators and teachers to ensure the systems are properly operated and maintained
- **Improper use of AI** to generate images by students that are outside of acceptable boundaries of behavior (Fry, 2024)

COMMENDATIONS



The following organizations and agencies are commended for contributing to the 2023-2024 Grand Jury's goal of better understanding the use of AI in public schools:

- CEO Alliance of Orange County
- Santa Ana Unified School District
- Superintendents/delegates who responded to the OCGJ Survey
- Orange Unified School District, Department of Information Technology
- Orange County Department of Education
- Orange County Board of Education

FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires (or, as noted requests) responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “Use of Artificial Intelligence in Public Schools (K-12),” the 2023-2024 Orange County Grand Jury has arrived at three principal findings, as follows:

- F1. Orange County’s K-12 public schools have implemented policies and/or guidelines around the use of different AI platforms in varying and inconsistent ways. Some prohibit AI’s use; others allow it; and some don’t have policies or guidelines governing AI at all.
- F2. Superintendents provide varying levels of support in implementing AI policies and/or guidelines in their respective school districts.
- F3. There are many resources to guide educators in using AI. Several are available at the local level through the Orange County Department of Education, Orange County Board of Education, CEO Leadership Alliance Orange County, and Orange Unified School District Technology Department, to name a few. However, utilization and even awareness of the availability of such resources is highly variable across school districts.

RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation described herein, the 2023-2024 Orange County Grand Jury makes the following recommendations. By June 30, 2025:

- R1. Orange County’s K-12 schools should implement policies and guidelines regarding the appropriate use of AI. These may be provided at the district level or within individual schools through the adoption of an Acceptable Use Policy, Code of Ethics, or other written directives addressing the use of AI.

- R2. Superintendents should ensure that their schools have policies that cover, at a minimum: the scope, guiding principles, and training regarding the responsible use of AI tools by students and teachers; any prohibited uses or special considerations regarding AI tools; and related security, privacy, and safety considerations.
- R3. K-12 students should be trained on the appropriate use of AI.
- R4. K-12 teachers should be trained on the appropriate use of AI.
- R5. Schools and educators should be encouraged to collaborate with the various available AI consortiums and think tanks, such as OCDE and CLAOC, to effectively implement AI and establish basic tenets for its use.

RESPONSES

The following excerpts from the California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury report:

Section 933:

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

Section 933.05:

(a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding.

(2) The respondent disagrees wholly or partially with the finding; in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

(1) The recommendation has been implemented, with a summary regarding the implemented action.

(2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.

(3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.

(4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation

REQUIRED RESPONSES

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from the governing bodies of:

Findings- 90 Day Response Required

Anaheim Elementary School District	F1, F2, F3
Anaheim Unified High School District	F1, F2, F3
Brea-Olinda Unified School District	F1, F2, F3
Buena Park Elementary School District	F1, F2, F3
Capistrano Unified School District	F1, F2, F3
Centralia Elementary School District	F1, F2, F3
Cypress Elementary School District	F1, F2, F3
Fountain Valley School District	F1, F2, F3
Fullerton School District	F1, F2, F3
Fullerton Joint Union High School District	F1, F2, F3
Garden Grove Unified School District	F1, F2, F3

Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

Huntington Beach City School District	F1, F2, F3
Huntington Beach Union High School District	F1, F2, F3
Irvine Unified School District	F1, F2, F3
Laguna Beach Unified School District	F1, F2, F3
La Habra City School District	F1, F2, F3
Los Alamitos Unified School District	F1, F2, F3
Lowell Joint School District	F1, F2, F3
Magnolia School District	F1, F2, F3
Newport-Mesa Unified School District	F1, F2, F3
Ocean View School District	F1, F2, F3
Orange Unified School District	F1, F2, F3
Placentia-Yorba Linda Unified School District	F1, F2, F3
Saddleback Valley Unified School District	F1, F2, F3
Santa Ana Unified School District	F1, F2, F3
Savanna School District	F1, F2, F3
Tustin Unified School District	F1, F2, F3
Westminster School District	F1, F2, F3

Recommendations- 90 Day Response Required

Anaheim Elementary School District	R1, R2, R3, R4, R5
Anaheim Union High School District	R1, R2, R3, R4, R5
Brea-Olinda Unified School District	R1, R2, R3, R4, R5
Buena Park Elementary School District	R1, R2, R3, R4, R5
Capistrano Unified School District	R1, R2, R3, R4, R5
Centralia Elementary School District	R1, R2, R3, R4, R5
Cypress Elementary School District	R1, R2, R3, R4, R5
Fountain Valley School District	R1, R2, R3, R4, R5
Fullerton School District	R1, R2, R3, R4, R5

Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

Fullerton Joint Union High School District	R1, R2, R3, R4, R5
Garden Grove Unified School District	R1, R2, R3, R4, R5
Huntington Beach City School District	R1, R2, R3, R4, R5
Huntington Beach Union High School District	R1, R2, R3, R4, R5
Irvine Unified School District	R1, R2, R3, R4, R5
Laguna Beach Unified School District	R1, R2, R3, R4, R5
La Habra City School District	R1, R2, R3, R4, R5
Los Alamitos Unified School District	R1, R2, R3, R4, R5
Lowell Joint School District	R1, R2, R3, R4, R5
Magnolia School District	R1, R2, R3, R4, R5
Newport-Mesa Unified School District	R1, R2, R3, R4, R5
Ocean View School District	R1, R2, R3, R4, R5
Orange Unified School District	R1, R2, R3, R4, R5
Placentia-Yorba Linda Unified School District	R1, R2, R3, R4, R5
Saddleback Valley Unified School District	R1, R2, R3, R4, R5
Santa Ana Unified School District	R1, R2, R3, R4, R5
Savanna School District	R1, R2, R3, R4, R5
Tustin Unified School District	R1, R2, R3, R4, R5
Westminster School District	R1, R2, R3, R4, R5

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GLOSSARY

AI- Artificial Intelligence

Chatbot- a computer program that simulates human conversation with an end user

Chat GPT- a natural language processing chatbot that allows you to have human-like conversations to complete various tasks

CLAOC- CEO Leadership Alliance of Orange County

Collective Forgetting- the process by which groups or societies gradually lose attention or memory of certain cultural pieces or events over time

Deepfakes- synthetic media that have been digitally manipulated to convincingly replace one person's likeness with that of another

Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

OCDE- Orange County Department of Education

OCGJ- Orange County Grand Jury

OUSD- Orange Unified School District

Think Tank- A group of people whose profession is to read, write, research and discuss current events and topics that are of interest to the community

APPENDIX A

2023-2024 Orange County Grand Jury

Artificial Intelligence Survey

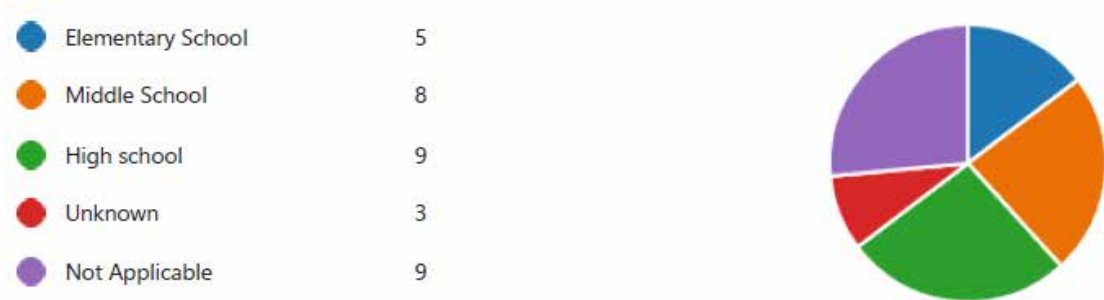
For K-12 Public Schools

A survey was sent to Orange County K-12 public school district superintendents. Of the 28 districts surveyed, the Orange County Grand Jury received 22 responses. Excluded from this survey were charter, online, and private schools. A sampling of the survey results follows.

Do any of the schools in your district utilize Artificial Intelligence (AI) in the classroom?



Please indicate the grade level(s) utilizing AI in the classroom in your school district (select all that apply)



Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

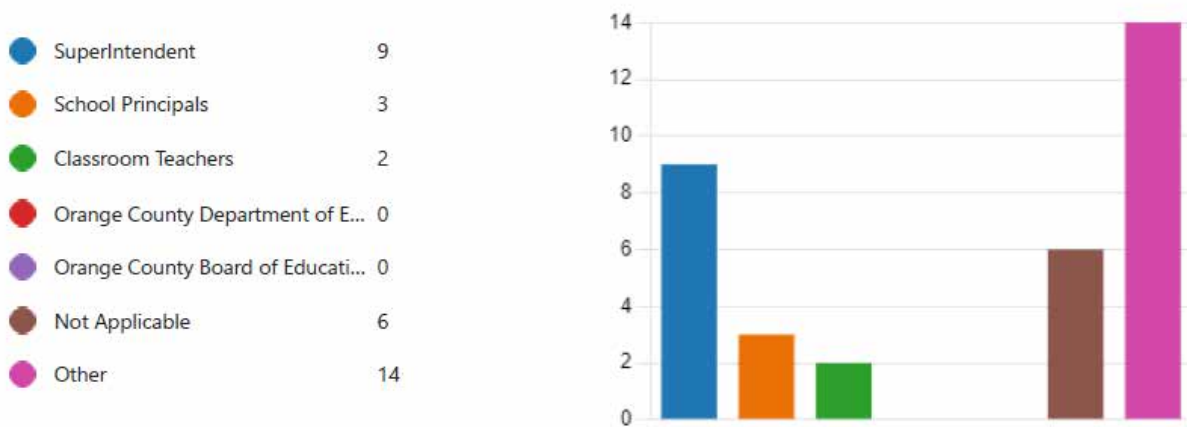
Does your school district have an overarching policy in place that applies to all schools and addresses the use of AI in the classroom?



If your district has a policy in place regarding the use of AI, please specify your policy and where one might access it (for example, Acceptable Use Policy, Code of Ethics and Conduct, etc.)

Responses were mixed. Only 10 School Districts responded to this question. 6 respondents said that they either do not have a policy or are working on one; the other 4 stating that AI is addressed in their current policies (Acceptable Use Policy, Student Technology Contract, etc.).

In your school district, if you are utilizing AI, who is responsible for determining the guidelines and/or policies surrounding the use of AI in the classroom?



Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

If your district is utilizing AI, are schools/principals able to implement their own guidelines/policies on the use of AI?

Yes	3
No	7
Unknown	3
Not Applicable	9



If your district is utilizing AI, are school principals able to utilize any available AI platform (such as ChatGPT) in the classroom?

Yes	6
No	4
Unknown	3
Not Applicable	8



If your district is utilizing AI, are schoolteachers able to decide what AI platform is to be used in his/her classroom?

Yes	8
No	3
Unknown	2
Not Applicable	8



Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

If your district is utilizing AI, are the students trained on the appropriate use of AI?

Yes	6
No	4
Unknown	3
Not Applicable	9



If your district is utilizing AI, are the teachers trained on the appropriate use of AI?

Yes	9
No	2
Unknown	3
No Applicable	7



In a few words what do you see as the benefits and or negatives of using AI in the classroom?

"Recently, OCDE brought back the OC Ed Tech Network. In conjunction with the work of OC AI Forward, we are working collaboratively on creating guidelines/policies around AI that we can then take back to our districts and customize."

"We are in the process of determining where AI will fit within the District. We will work with our Governing Board as we progress through understanding AI."

"Our district is at the beginning stages of inquiry around AI. We intend to bring together a team of educators to determine next steps for our district."

"We are working to collaborate with our IT department to align vision, access to platforms, etc. We are currently attending the OCDE AI trainings and learning about enterprise opportunities and learning from other Orange County districts."

"We are supportive of innovation in classroom instruction. Our principals and teachers have considerable discretion to implement classroom tools, including AI when District guidelines are followed, including policies related to student data privacy, academic honesty, and online safety. [The District] has established criteria for vetting potential technologies for classroom use (including AI). Site leaders and teachers may choose from approved technologies and

"We are in the beginning stages of developing a district-wide AI policy. We've recently established a Superintendent's Advisory Council, composed of district stakeholders, to identify which platforms are currently being used, how they are being used, and what staff's concerns and hopes are as this technology evolves over time."

"AI is not going away; it's the present and the future. Students need to learn ethical use of the

Use of Artificial Intelligence in Public Schools (K-12), It's Not Elementary

implement them in a way that best meets the needs of students.”

“Key concerns include potential data privacy issues, as AI systems require access to student information. There is also the risk of technology exacerbating educational inequalities, particularly for students in under-resourced areas who may have limited access to AI tools. Additionally, over-reliance on technology could impact the development of critical thinking and interpersonal skills. It's crucial to address these challenges to ensure equitable and effective use of AI in our classrooms”

tool in order to compete academically and professionally.”

“Students can engage with more content effectively and spend more time on higher levels of depths of knowledge (strategic thinking, extended thinking). Media literacy is a skill that is more important than ever before and tools like generative AI that require the use of this skill are not slowing down or going away. Students should be involved in structured discussions and debates around what AI is, what it does well and what it doesn't do so well so they can become critical thinkers in this space.”



Review of the Assessor's Office



GRAND JURY 2023-2024

Review of the Assessor's Office

Table of Contents

SUMMARY	1
BACKGROUND	1
REASON FOR THE STUDY	2
METHOD OF STUDY	3
INVESTIGATION AND ANALYSIS.....	3
Assessor's Office: Overview.....	3
<i>Services Provided to the Public</i>	<i>4</i>
Service Concerns Identified.....	4
<i>Online Services.....</i>	<i>4</i>
<i>In-Person Services</i>	<i>9</i>
<i>Other Technology Related Issues that Impact Efficiency.....</i>	<i>9</i>
<i>Other Issues:</i>	<i>10</i>
FINDINGS	11
RECOMMENDATIONS.....	12
RESPONSES.....	13
<i>Findings – 60 Day Response Required</i>	<i>14</i>
<i>Recommendations – 60 Day Response Required</i>	<i>14</i>
GLOSSARY	15
APPENDICES	16
Appendix A	16
<i>Examples of Online Services Offered by Other County Assessors' Offices.....</i>	<i>16</i>
Appendix B	17
<i>Memorandum Regarding Orange County Assessor's Office Financial Statistics....</i>	<i>17</i>

SUMMARY

The Orange County Assessor's Office is responsible for assessing the value of nearly one million parcels of real property (land, homes, etc.) within the county. These assessments are then used to calculate property taxes for each property owner. The Assessor's Office also appraises personal property such as business property, aircraft, and boats. Additionally, the Assessor's Office assists in processing tax exemptions and credits for eligible property owners, aiding property owners in understanding their tax assessments, and resolving concerns they may have.

The 2023-2024 Orange County Grand Jury (OCGJ) investigation focused on how the Assessor's Office provides services to its customers, the office's processes, infrastructure, and efficiency. Additionally, the investigation compared Orange County's processes and public access with those available in other California counties.

The OCGJ concludes there is a clear need for the Assessor's Office to provide better service through online public access to documents and information and allowing electronic submission of common forms as can be done in other counties. Additionally, the Assessor's Office should provide a presence at the Orange County Service Center rather than require the inconvenience of a separate visit to the Assessor's Office. Finally, the Assessor's Office should update its internal administrative and operational processes to improve overall office efficiency and provide the needed resources to meet customer service workloads.

BACKGROUND

The Orange County Assessor is an elected official. The office is responsible for assessing the value of all real property within the county, including residential, commercial, and industrial properties. The office uses various methods, such as property inspections, market analysis, and data collection, to determine the value of each property accurately. This valuation is then used to calculate property taxes for each property owner within the county.

The Orange County Assessor's Office also appraises personal property throughout Orange County. The Assessor's Office determines the value of nearly one million parcels of property in Orange County every year. Personal property includes boats, aircraft, and business personal property.

In addition to property valuation, the Assessor's Office plays a role in administering property tax exemptions and credits for eligible property owners. This includes exemptions for senior citizens, veterans, disabled individuals, and other qualifying groups. The office also aids property owners in understanding their property tax assessments and resolving any disputes or concerns they may have.

Citizens can challenge property appraisals by completing and filing an Assessment Appeal Application with the Clerk of the Board of Supervisors. Filing an appeal can be avoided by working with the Taxpayer Advocate that is one of a few tax assessment ombudsmen in the State of California. The Tax Advocate was established in August 2015 and resolves approximately 1,200 complaints per year.¹ The Assessor's Office is also responsible for processing the following documents:

- Change of ownership when a deed is recorded
- Disabled veterans' tax exemptions
- Temporary tax deductions following a disaster such as a flood or earthquake
- Change of ownership under eminent domain (i.e., a government agency acquires property for development and offers the owner an equivalent piece of property).
- Homeowners' exemption that is an incentive to own and occupy residential property
- Institutional exemption for non-profits such as a church, school, or library
- Reassessment of property that undergoes new construction such as residential and/or commercial additions
- Property tax postponements for senior citizens who are disabled with an annual household income of \$45,500 or less

The public can also visit the Assessor's Office to obtain copies of parcel maps and roll information.

The work of the Assessor's Office is essential in generating revenue for the county government, which in turn funds public services such as schools, roads, public safety, and social services. By ensuring that property taxes are assessed fairly and accurately, the Assessor's Office helps to maintain a stable and equitable tax base within Orange County.

REASON FOR THE STUDY

The OCGJ received a citizen's complaint regarding inadequate services provided by the Orange County Assessor's Office. Based on this, the OCGJ conducted a comparative review of the Orange County Assessor's Office with other Southern California counties. The main objectives of this investigation were to assess the management and operations of the department and the effectiveness of its mission in providing accurate and timely assessment information. Ultimately, the OCGJ examined the Office to formulate findings and present objective and constructive recommendations. These recommendations aim to enhance the Orange County Assessor's Office and its ability to fulfill its mandates and better serve the public. This endeavor underscores the OCGJ's

¹ Claude Parrish (Orange County Assessor), "Taxpayer Advocate," Orange County Assessor, May 29, 2024, <https://www.ocassessor.gov>

commitment to increasing transparency and accountability in a local governmental department for the benefit of taxpayers.

METHOD OF STUDY

The OCGJ conducted twenty-two interviews during this investigation. The interviewees ranged from various levels of employees of the Assessor's Office to department heads and their employees representing other Orange County offices that routinely interact with the Assessor's Office.

The OCGJ also reviewed documents related to the operation of the Assessor's Office, including budgets, expenditure reports, audit reports, Human Resources complaint files, training/educational reimbursement data, and phone call logs.

Additionally, members of the OCGJ examined websites of twenty-four county assessors in the State of California to determine what kind of online services they offer and compared them to the online services the Orange County Assessor's Office provides to Orange County residents and/or business customers.

The OCGJ conducted three site visits/tours to the following:

1. County Service Center at 601 N. Ross Street in Santa Ana to determine how matters addressed to the Assessor's Office are being handled at the County Administration South Office
2. Assessor's Office located at 500 S. Main Street in Orange
3. Assessor's Office to obtain parcels maps and observe the process including parking, workflow, how services are provided, and payment processing

INVESTIGATION AND ANALYSIS

Assessor's Office: Overview

The OCGJ is looking for continuous improvement in county government. One benchmark is a comparison of the Orange County Assessor's Office with a higher ranked county on the State Board of Equalization Audit list. Another benchmark is the higher level of convenience and customer service provided to the Assessor's constituents.

A 2024 State Board of Equalization Audit of all fifty-eight California assessors ranks the counties in accordance with their respective level of compliance with State regulations. An excerpt of the report provided below shows the top twenty-five counties with the Orange County Assessor's Office in a relatively high position (Figure 1).

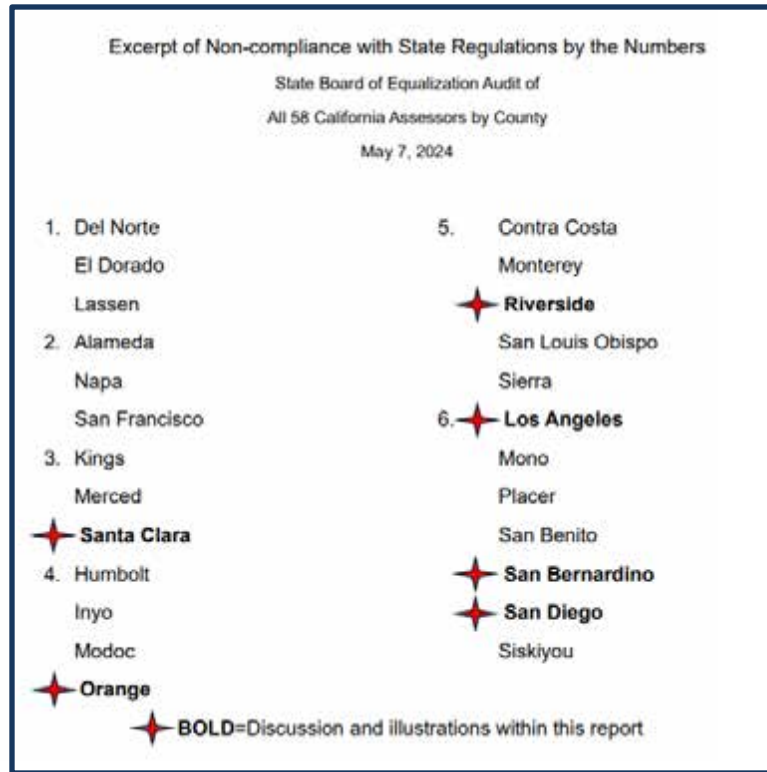


Figure 1. Excerpt from State Board of Equalization Audit

Services Provided to the Public

The main subjects of this report are the services that the Assessor's Office provides to the public, which include various issues related to property assessment, exemptions, changes of ownership, and obtaining property information, including parcel maps.

As mentioned in the Background Section of this report, the Orange County Assessor's Office is one of only a few assessor offices in the state that has a full-time Taxpayer Advocate. The Taxpayer Advocate serves as a resource for taxpayers who may have questions or concerns about their property taxes or assessments. They can help taxpayers navigate the often-complex property tax system and ensure that they are being treated fairly. It also demonstrates a commitment to customer service. Ensuring a Taxpayer Advocate is on staff shows that the Orange County Assessor's Office is committed to transparency, fairness, and accountability in its operations.²

Service Concerns Identified

Online Services

Services available via the Orange County Assessor's Office website are very limited in comparison with other California assessors' websites. During the investigation and

² *Ibid.*

review of the Assessor's Office operations, the OCGJ discovered that the public cannot submit forms online as is common with other California counties. Examples of other county websites are provided in the Appendix showing how they have invested in providing online services to their constituents.

When looking at the two benchmarks mentioned previously (i.e., State Board of Equalization Audit List and user-friendly websites), the Santa Clara County Assessor's Office scores higher than Orange County in both areas. The Santa Clara County Assessor's Home Page offers greater online submission capabilities with the direct online submission of forms, parcel map search, and printing without having to visit its brick-and-mortar location. The Orange County Assessor's homepage does not provide the same options.

The Santa Clara County Assessor's Office also offers online services that improve customer service. Online services similar to those provided by the Santa Clara County Assessor's Office can be implemented in Orange County so that our residents and business can more easily access assessor information from their computer. The following Santa Clara County Assessor services are easily accessible online so that customers can conduct business without visiting its physical location:

- The Santa Clara County Assessor's Office provides parcel maps online, free of charge, from its website.³ Nine percent of Santa Clara County's customers request copies of parcel maps. When customers can access this information (independently) online without staff assistance, it allows staff to focus on more complex issues affiliated with the Assessor's Office.⁴ If a customer prefers to obtain an 11x17-inch copy of a parcel map with property characteristics, the customer can complete a form from the website and send it to the Assessor's Office via mail or fax. The form must be accompanied by a check for the exact amount. If a customer does not know the parcel number, that information can be easily accessed on the website's Property Assessment Information System. This process has been established to avoid the inconvenience of going to the Assessor's Office.⁵ Hyperlinks to examples of other county websites are listed in Appendix A showing how they have provided online services to their customers.
- Homeowners that occupy their home may be eligible for an exemption of up to \$7,000 off the dwelling's assessed value. The Santa Clara County Assessor's Office provides instructions online, and a homeowner can easily complete the application and submit it online.

³ Larry Stone (Santa Clara County Assessor), "Order Information for Assessor Parcel Map and Property Characteristics," Office of the Assessor County of Santa Clara, May 28, 2024, <https://www.sccassessor.org>

⁴ *Ibid.*

⁵ *Ibid.*

Review of the Assessor's Office

- Customers can easily conduct basic address searches by entering the address within Santa Clara County. The OCGJ actually conducted an address search that resulted in obtaining the property's document number, document type (i.e., DEED), transfer date, assessed information as of June 30, 2023, the land value, value of land improvements, and the total real property value.
- Property information can also be easily accessed online by entering an Assessor's Parcel Number.

These represent some examples of how the public in Santa Clara County can easily access property information and submit applications online. The Orange County Assessor, however, does not support offering online property information to residents and/or business customers in Orange County out of concern for the privacy of his constituents.

The content and functionality of the Santa Clara Assessor's website is much more customer-service oriented when compared to the Orange County Assessor's website as illustrated by screenshots below (Figures 2 and 3):

Review of the Assessor's Office

The screenshot displays the official website of the Santa Clara County Assessor's Office. At the top, the header includes the URL 'sccassessor.org', the county seal, and the office's name and address: 'OFFICE OF THE ASSESSOR, COUNTY OF SANTA CLARA, 130 W. TASMAN DR. SAN JOSE, CA 95134'. A prominent banner announces the office's move to August 28, 2023. Below this is a search bar and a language selection menu with options for Chinese, English, Korean, Japanese, Tagalog, Spanish, and Vietnamese. The main content area is titled 'Forms' and features a 'New! Click here for Exemption Forms' link. A list of forms follows, each with a download button and an option to submit online. The forms include: Base Year Transfer to Replacement Home, Age 55+ (BOE-19-B); Base Year Value Transfer, Certificate of Value (BOE-19-C); Base Year Transfer to Replacement Home, Severely Disabled (BOE-19-D); Certificate of Disability (BOE-19-DC); Grandparent-Grandchild Transfer Exclusion (BOE 19-G); Parent-Child Transfer Exclusion (BOE-19-P); Base Year Transfer to Replacement Home, Victim of Disaster (BOE-19-V); Affidavit of Cotenancy Residency (BOE-58-H); Agent Authorization; and Agreement to Postpone Hearing with Waiver. A vertical 'Appointments' button is located on the right side of the forms list.

Forms

New! Click here for Exemption Forms

- Base Year Transfer to Replacement Home, Age 55+ (Proposition 19), BOE-19-B
Download - OR - Submit Online
- Base Year Value Transfer, Certificate of Value (Proposition 19), BOE-19-C
Download
- Base Year Transfer to Replacement Home, Severely Disabled (Proposition 19), BOE-19-D
BOE-19-D Filing Also Requires BOE-19-DC Download - OR - Submit Online
- Certificate of Disability (Proposition 19), BOE-19-DC
Download - OR - Submit Online
BOE-19-DC Filing Also Requires BOE-19-D
- Grandparent-Grandchild Transfer Exclusion (Proposition 19), BOE 19-G - OR - Submit Online
BOE-19-G Filing Requires Homeowner's Exemption Form to be completed first Download
- Parent-Child Transfer Exclusion (Proposition 19), BOE-19-P - OR - Submit Online
BOE-19-P Filing Requires Homeowner's Exemption Form to be completed first Download
- Base Year Transfer to Replacement Home, Victim of Disaster (Proposition 19), BOE-19-V
Download - OR - Submit Online
- Affidavit of Cotenancy Residency BOE-58-H
- Agent Authorization
- Agreement to Postpone Hearing with Waiver

Appointments

Figure 2: Online Forms

Review of the Assessor's Office

The screenshot displays the website for the Office of the Assessor, County of Santa Clara. The browser address bar shows 'sccassessor.org'. The website header includes the 'SCCGOV' logo and navigation links for 'Rive', 'ParcelQuest', 'Maps and Pr...', 'Real Propert...', 'Submit Clai...', and 'Get Driving...'. A banner announcement states: 'County Assessor's Office Moved August 28, 2023. The Santa Clara Count'. Below the banner is a 'Site Search' bar and a list of languages: 中文, 한국어, বাংলা, 日本語, Tagalog, Español, and Tiếng Việt. The main content area is titled 'Property Search - Real Property' and features a 'Simple Address Search' form. The form includes a text input field for 'Property address', a checkbox for 'I have read, understand, and accept the terms and conditions', a reCAPTCHA 'I'm not a robot' checkbox, and a 'Search' button. Below the simple search form are links for 'Advanced Address Search' and 'Search by APN'. A vertical 'Appointments' link is visible on the right side of the page.

Property Search - Real Property

Simple Address Search

(Please enter the address where the property resides, do not enter the mailing address.)

Property address

☒ I have read, understand, and accept [the terms and conditions](#)

☐ I'm not a robot

reCAPTCHA
Privacy - Terms

Search

Advanced Address Search

Search by APN

Appointments

Figure 3: Property Search

The Orange County Assessor's Office does not appear to maintain complete customer service data to record customer interactions, requests, and service provision. Without this data, it is difficult to determine workloads and make resource management decisions to best meet customer needs.

In-Person Services

The lack of online capabilities forces Orange County constituents to make in-person visits to the Assessor's Office to purchase hard copies of information (forms, maps, etc.) rather than accessing them online as can be done in several other California counties.

Orange County has made a significant investment in upgrading the Santa Ana Civic Center to provide a central facility to house other Orange County agencies allowing enhanced in-person inter-agency communication, coordination, and collaboration. The Assessor's Office chose not to move into the County Administration South Building offices and instead is in a leased location in the City of Orange. Customers who need information and assistance on issues related to their real property from multiple County agencies are required to leave the Santa Ana Civic Center and travel several miles to the Assessor's Office. Upon arriving, customers then discover the parking rates at the Assessor's Office are higher than at other County sites. Additionally, the Assessor's Office does not provide free 30-minute parking or parking validation to its visitors akin to other County agencies. Due to these higher prices and lack of parking validation, customers may improperly park in nearby commercial parking lots risking towing or ticketing as those lots are intended only for their own businesses' customers.

During the OCGJ's onsite visit to the Assessor's Office, it was apparent that services provided to walk-in clients are not organized as efficiently as services at the Orange County Service Center. The Assessor's Customer Service Center has numerous outdated systems and practices. The only form of payment accepted is by credit card and the card processing is very slow. At the Service Counter, the parcel numbers for five of the six addresses requested were not found by the Assessor's Office employee, so those requesting the parcel information were redirected to search for the parcel numbers on the office's self-help computers. The parcel numbers for three of the six addresses were ultimately obtained. The other two addresses had to be searched by owner name. The parcel number is required to obtain a parcel map. The OCGJ found it interesting that a parcel number can be found online through the Orange County Treasurer-Tax Collector's website, but not the Assessor's.

Other Technology Related Issues that Impact Efficiency

- E-mail Communication

Interviews conducted by the OCGJ revealed that not all employees of the Assessor's Office have access to County email, resulting in resources having to be allocated to print out information, and then manually distribute the hard copies to the employees who are not afforded this basic resource. Additionally, employee access to and

interaction with other Assessor employees, and other County departments, must be done verbally or in person, which negatively impacts efficiency and slows information flow.

- Online County Procurement System

The Assessor's Office does not utilize the online County procurement system known as "OC Expediter," which is used by all other interviewed agencies. Rather, the Assessor's Office uses computers to prepare requisition forms, then manually routes hard copies for processing.

Other Issues:

- Human Resources Representative Onsite

In interviews conducted during the investigation, an area of concern expressed by multiple interviewees was the lack of any onsite Orange County Central Human Resources (HR) representative at the Assessor's Office. Without an onsite presence, employees seeking information, assistance, or having questions related to their employment must travel to Santa Ana during working hours to meet with an HR representative. This absence from the Assessor's Office places an increased workload on the rest of the department, negatively impacting efficiency and customer service.

If there was a central HR presence in the Assessor's Office, employees could receive expedited support and assistance. The amount of time employees would need to spend away from their normal duties would be greatly reduced and the corresponding impacts to workload, efficiency, and service provision would be minimized.

Additionally, an HR presence would help ensure that employees have access to the support and resources they need in a timely manner.

- Budget and Funds Returned

The Assessor's Office has returned a significant amount of money, in most cases more than \$1.5 million, to the general fund in each of the past eight years as follows:

- 2015-2016 - \$457,027
- 2016-2017 - \$1,547,075
- 2017-2018 - \$1,656,426
- 2018-2019 - \$659,507
- 2019-2020 - \$2,817,524
- 2020-2021 - \$2,628,190
- 2021-2022 - \$3,121,820
- 2022-2023 - \$2,230,516

However, before returning these monies, they could first be used to fill vacant positions and update Information Technology (IT) and public access systems thus improving customer service and overall operational efficiency.

COMMENDATIONS

The OCGJ commends the Orange County Assessor's Office for being one of only a few assessor offices in California that has a full-time Taxpayer Advocate. The Taxpayer Advocate provides an important resource for taxpayers who may have questions or concerns about their property taxes or assessments.

FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 OCGJ requires responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court. Based on its investigation titled "Review of the Assessor's Office," the 2023-2024 OCGJ has arrived at seven principal findings as follows:

Online Services

- F1. Instead of being able to submit forms to the Assessor electronically and accessing relevant information online as available in a number of other California counties, Orange County residents and businesses are inconvenienced by inadequate online services.

In-Person Services

- F2. Orange County residents who need to visit the Assessor's Office in person are not provided parking validation or free 30-minute parking and are forced to pay higher parking rates than visitors to the Orange County Civic Center.
- F3. Assessor's Office staff use work processes that are not organized as efficiently as those at the Orange County Service Center, hindering the efficient delivery of Assessor services to the public.

Other Technology Related Issues that Impact Efficiency

- F4. The Assessor's Office uses computers to prepare "OC Expediter" requisition forms and then manually routes hard copies for processing, creating extra work for staff and negatively impacting overall efficiency.
- F5. Not all employees in the Assessor's Office have access to County email, necessitating the wasteful and inefficient manual distribution of printed resources.

Additionally, the inability of these employees to communicate online impedes the flow of information within the Assessor's Office and with other County agencies.

Other Issues

- F6. Employees of the Assessor's Office do not have the onsite access to a Human Resources representative that is available to many other County employees. As a result, they are unable to quickly receive assistance with personnel matters.
- F7. The Assessor has returned significant amounts of money to the general fund in the last seven years, yet the technologies used to provide online and in-person services to Orange County residents are outdated.

RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 OCGJ requires responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation described herein, the 2023-2024 Orange County Grand Jury makes the following recommendations:

Online Services

- R1. The Assessor's Office should implement the necessary IT upgrades and policy changes to allow customers online access to submit and/or acquire forms, parcel information, and maps by June 30, 2025.

In-Person Services

- R2. The Assessor's Office should provide 30 minutes of parking validation to Orange County residents/visitors by September 30, 2024.
- R3. The computer system in the Assessor's service center should be upgraded, and clear, straightforward procedures for service provision to walk-in clients should be implemented by June 30, 2025.

Other Technology Related Issues that Impact Efficiency

- R4. The Assessor's Office should abandon the use of manual processing of requisition requests and instead utilize the County's "OC Expediter" program to be consistent with other County departments by September 30, 2024.
- R5. The Assessor's Office should provide County email accounts to all its employees, and the ability to access email from their regular workstations by September 30, 2024.

Other Issues

- R6. The Assessor's Office should have its Central Human Resources representative return to being onsite to provide more direct interaction with Assessor employees and observe daily operations to better meet the needs of the office by September 30, 2024.
- R7. Instead of returning unspent funds to the County's general fund, the Assessor's Office should ensure that sufficient funds are allocated to upgrade and maintain modern technologies to better assist Orange County residents and/or business customers seeking services, both remotely and in-person, by June 30, 2025.

RESPONSES

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made no later than 90 days after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official, the official shall comment on the findings and recommendations pertaining to the matters under that elected official's control within 60 days to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

- (a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:
 - (1) The respondent agrees with the finding.
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.
- (b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:
 - (1) The recommendation has been implemented, with a summary regarding the implemented action.

- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
 - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the Grand Jury report.
 - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, thereof.
- (c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

REQUIRED RESPONSES

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from:

Findings – 60 Day Response Required

Orange County Assessor

F1, F2, F3, F4, F5, F6, F7

Recommendations – 60 Day Response Required

Orange County Assessor

R1, R2, R3, R4, R5, R6, R7

REFERENCES

Claude Parrish (Orange County Assessor), "Taxpayer Advocate," Orange County Assessor, May 29, 2024, <https://www.ocassessor.gov>

Larry Stone (Santa Clara County Assessor), "Order Information for Assessor Parcel Map and Property Characteristics," Office of the Assessor County of Santa Clara, May 28, 2024, <https://www.sccassessor.org>

GLOSSARY

HR	Human Resources
IT	Information Technology
OC Expediter	Online County Procurement System
OC Service Center	Located at 601 N. Ross Street, Santa Ana
OCGJ	Orange County Grand Jury
Parcel Map	A parcel map is a detailed representation of a piece of land and its subdivisions, and provides information about the size, boundaries, and location of the property.
Property Assessment Information System	A digital platform used to search for property data
Roll	List of all assessed property in a county
State Board of Equalization	State agency that administers property tax

APPENDICES

Appendix A

Examples of Online Services Offered by Other County Assessors' Offices

Riverside County

Online services – five forms that can be e-filed + property search

[Home \(publicaccessnow.com\)](https://publicaccessnow.com)

Los Angeles County

Online Property search tools, including access to parcel maps; also includes a chatbot for questions (AI-powered)

[Assessor - Property Search Tool \(lacounty.gov\)](https://lacounty.gov)

Property Assessment Information System

[LA County - Property Assessment Information System](#)

San Bernardino County

Online property information access, including parcel maps

[Assessor Property Information – San Bernardino County Assessor-Recorder-Clerk \(sbcounty.gov\)](https://sbcounty.gov)

San Diego County

Parcel maps via ParcelQuest (Orange County parcel maps are also available via this website)

[Statewide - ParcelQuest Statewide](#)

Santa Clara County

Online property search, including parcel maps

[Real Property Search \(sccassessor.org\)](https://sccassessor.org)

Forms that can be e-filed

[Forms - Santa Clara County Assessor's Public Portal \(sccassessor.org\)](https://sccassessor.org)

Appendix B

Memorandum Regarding Orange County Assessor's Office Financial Statistics

500 S Main Street
Suite 103
Orange, CA 92686



ESTABLISHED 1889
OFFICE OF THE ASSESSOR

CLAUDE PARRISH
COUNTY ASSESSOR
Telephone: (714) 834-2727
FAX: (714) 558-0681
www.ocassessor.gov

Date: August 11, 2023

To: Mr. Claude Parrish, Assessor

From: Craig Fowler, Admin Manager II, Management Services

Subject: Assessor Department Statistics Fiscal Year 2022-23

Please see revised chart below outlining eight years of historical Net County Cost (NCC) savings achieved by the Orange County Assessor Department and returned to the Orange County General Fund.

ASSESSOR DEPARTMENT HISTORIC NET COUNTY COST SAVINGS								
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Budgeted NCC	37,895,196	38,495,900	38,443,895	38,212,148	42,338,875	43,140,516	43,140,516	45,137,422
Actual NCC *	37,438,169	36,948,826	36,787,469	37,552,641	39,521,351	40,512,326	40,018,696	42,906,906
Return to General Fund	457,027	1,547,075	1,656,426	659,507	2,817,524	2,628,190	3,121,820	2,230,516
FILLED POSITIONS	283	278	269	270	257	241	247	244

* Actual NCC is expenditure including offsetting revenues booked throughout the Fiscal year

Thank you,
Craig Fowler
Budget and Finance Manager

CC: Neil Shah, Manager, Management Services



E-bikes Friend or Foe



Table of Contents

SUMMARY	1
BACKGROUND	1
REASON FOR THE STUDY	3
METHOD OF STUDY	3
INVESTIGATION AND ANALYSIS.....	4
Orange County Transportation Authority	4
Orange County Sheriff’s Department	4
Cities Survey	4
COMMENDATIONS.....	12
FINDINGS	12
RECOMMENDATIONS.....	13
RESPONSES.....	13
REQUIRED RESPONSES.....	14
REFERENCES.....	18
GLOSSARY	20
APPENDICES	21
APPENDIX 1.....	21
<i>Current County of Orange E-Bike Laws - Unincorporated Areas</i>	<i>21</i>
APPENDIX 2.....	22
<i>California Vehicle Code Section 312.5 as of December 23, 2023</i>	<i>22</i>
APPENDIX 3.....	23
<i>California Assembly Bills.....</i>	<i>23</i>
APPENDIX 4.....	24
<i>County of Orange Ordinance No. 18-002.....</i>	<i>24</i>

SUMMARY

The use of electric bicycles (E-bikes) has increased as our communities look to new and novel ways to commute and to reduce our reliance on automobiles. E-bikes are a cost-effective alternative. However, they bring higher risks of accidents and injuries when compared to conventional bicycles. The public deserves education and safety regulations to mitigate this concern.

The 2023-2024 Orange County Grand Jury (OCGJ) investigation into E-bike regulation, education, and safety focused on what, if any, pertinent regulations have been adopted by Orange County cities. The OCGJ investigation revealed that outside of the California Vehicle Code, the 34 cities, 13 of which are contract cities with the Orange County Sheriff's Department (OCSD), vary significantly in their regulation, safety (accidents, fatalities, etc.), enforcement, and education on E-bikes. The Orange County Transportation Authority (OCTA) oversees E-bike safety, education, and public outreach for all unincorporated areas. OCTA holds quarterly meetings with all 34 cities in the county to discuss transportation issues including E-bike regulation, safety, education, and enforcement.

There is an urgent need to have consistent ordinances for the regulation and enforcement of safe E-bike use in all cities, school districts, parks, and unincorporated areas. Currently, there are significant differences in policy across cities. The recent surge in E-bike usage calls for immediate action to strengthen city oversight of this issue. This report will highlight the differences between cities' approaches and make recommendations to attain realistic and practical policies for their respective jurisdictions.

BACKGROUND

The modern E-bike was introduced in the 1990s as a pedal assist bike with a battery-powered motor. The OCGJ focused on the 3 classes of E-bikes (see table below).

In most cases, it is hard to tell the difference between a Class 1, 2, or 3 E-bike, as there may be no apparent distinction to the naked eye. It is important that Orange County residents understand the different classes of E-bikes, how fast they can go, and any applicable restrictions or regulations that govern their use. This is particularly pertinent as automobile and bus commuters must now share the road with E-bike riders.



The ease of use, relatively low price, and convenience of E-bikes have led to their proliferation throughout Orange County. It is estimated that the sales of E-bikes rose by 145% during 2020-to-2021 (World Economic Forum March 12, 2021).

However, along with the proliferation of E-bikes have come inevitable issues regarding their use, including:

- riding on sidewalks
- riding against traffic
- speeding
- bike vs pedestrian collisions
- bike vs motorized vehicle conflicts
- the ability to make unauthorized modifications to the electric motors which allows the E-bikes to exceed their maximum intended speed

There are also issues regarding E-bike rider injuries in accidents, which can be more serious than injuries of riders in bicycle accidents (US Consumer Product Safety Commission October 17, 2023). According to the OCGJ survey sent to city mayors, many do not track or have awareness of the incidence and prevalence of E-bike injuries and fatalities in their respective cities.

The OCGJ sent a survey to all Orange County cities to learn each city's policies, availability of safety education, and enforcement of E-bikes. The responses from the cities that answered indicate a wide variety of differences - with some cities having robust training, enforcement measures, and methods of socializing E-bike use in their communities.

The OCGJ recognizes that there cannot be a "one size fits all" approach to the regulation of E-bikes, as all cities in Orange County are unique and have different needs. For example, a large beachside city will have its own unique policies as compared to smaller inland cities. The rapidly expanding use of E-bikes compels cities to ensure a safe environment for riders of E-bikes and all citizens of Orange County.

REASON FOR THE STUDY

As E-bike sales have increased by almost 145% worldwide (World Economic Forum Mar. 12, 2021) over the past 2 years, the regulation of their use does not seem to have kept up. Accidents and incidents with E-bikes are on the rise, as are complaints from citizens of Orange County about E-bike riders (Voice of OC Sept. 2023). Accordingly, the OCGJ determined that an investigation into E-bikes was needed to bring public awareness to the safe use of E-bikes and the importance of having city-relevant "rules of the road" in place.

This report seeks to press Orange County cities to actively seek common-sense rules for E-bikes to ensure their safe operation among conventional bicycles, pedestrians, and vehicles.

METHOD OF STUDY

Information from this investigation was collected and verified through multiple sources and statements made during interviews and includes extensive research of current online and print articles regarding E-bikes in Orange County. The OCGJ conducted the following activities:

- In-person interviews of representatives from:
 - A major retail bike shop that sells both E-bikes and standard bicycles
 - The Orange County Transportation Authority
 - The Orange County Sheriff's Department
 - The Central Newport Beach Community Association
- In-person attendance and online viewing of several city council meetings
- In-person attendance at a training session hosted by a local city
- Review of proposed State legislation that failed, passed, or is in committee

- Direct observance of E-bike riders, where they are riding, use of protective gear, passengers, dangerous maneuvers, etc.
- An online survey was distributed to the mayors of 34 cities in Orange County. Unincorporated areas/divisions were not included in this survey. Mayors and/or representatives from 22 cities responded to this survey

INVESTIGATION AND ANALYSIS

Through interviews and surveys, the OCGJ determined that there is wide variation of rules on E-bikes and limited information regarding the reporting of E-bike incidents, accidents, injuries, and basic rules of the road for E-bikes.

Several news outlets (newspapers, magazines, television, online forums) have published stories about E-bikes. While many acknowledge the benefits of E-bikes, they also detail significant issues for cities to address.

Speeding, unsafe, or reckless operation, riders under 18 years of age not wearing helmets and toddlers riding on the back or front without proper child safety seats present common E-bike regulation and enforcement challenges for law enforcement.

Orange County Transportation Authority

OCTA has published on their website a comprehensive list of regulations listed by city regarding bicycles and E-bikes. As with the OCGJ survey, there are several different rules for E-bike riders dependent on what city they are riding in due to the differences in cities such as availability of bike lanes and the speed at which E-bikes are permitted to travel.

Orange County Sheriff's Department

OCSD enforces the California Vehicle Code (CVC) Section 312.5 regarding electric bicycles. In addition, the Sheriff's Department works closely with OCTA to provide E-bike outreach and education to the residents of Orange County. The OCSD Training Bulletin 23-01, issued January 4, 2023, provides the current E-bike enforcement criteria for Sheriff's Deputies.

Cities Survey

OCGJ sent a list of survey questions to all city mayors in Orange County regarding policies in their cities with respect to E-bikes. Of the 34 surveys sent, 22 were completed and returned to the Grand Jury. A sampling of the survey results follows:

E-bikes Friend or Foe

- **Do you track injuries/deaths from E-bike accidents, injuries, fatalities?**

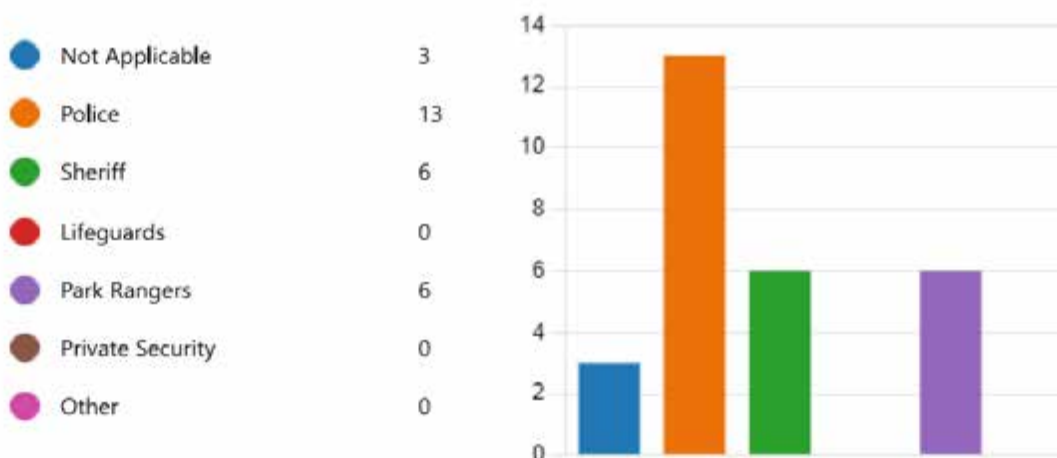


Tracking of E-bike injuries, deaths, property damage and battery fires, 11 of the 22 cities answered that they tracked these items on E-bikes.

The entity responsible for tracking these items varied within each city among law enforcement organizations, city government offices, and local hospitals. There is no standard way to compile and publish accident/incident information on E-bikes.

To properly track trends in E-bike operation, a robust incident and accident tracking mechanism must be in place. Items that need to be tracked include but are not limited to class of E-bike involved, estimated speed of the E-bike, direction of travel, age of the rider, whether helmets were used, and any injuries sustained. In the process of accident reporting, most police agencies do not distinguish whether the bicycle involved was a conventional bike or an E-bike.

- **In your city, who, if anyone, is authorized to enforce infractions? Please select all that apply:**



E-bikes Friend or Foe

Of the 22 cities that completed the survey, 100% indicated that some form of law enforcement was the agency authorized to enforce/cite infractions for E-bike riders. Police Departments, OCSD, or Park Rangers were the organizations authorized for E-bike enforcement.

- **In your city, are E-bikes allowed:**



	YES	NO	UNKNOWN
SIDEWALKS	10	8	4
BIKE LANES	21	0	1
PARK TRAILS	13	5	4
SCHOOL CAMPUSES	8	2	12
VEHICLE LANES	16	0	6
HIGHWAYS	9	5	8

10 cities indicated that E-bikes were authorized on sidewalks, 4 cities answered unknown, and the remaining cities answered that E-bikes were prohibited from sidewalks.

21 cities indicated that E-bikes were authorized in bike lanes with one city responding as unknown.

13 cities indicated that E-bikes are allowed on park trails, 5 cities indicated that E-bikes were prohibited from using park trails, and 4 cities indicated that park trail policy for E-bikes was unknown.

16 cities indicated that E-bikes were authorized in vehicle lanes and 6 cities answered unknown.

5 cities answered no, 8 cities answered unknown, and 9 cities indicated that E-bikes were allowed on highways.

Riding on sidewalks was found to be a contentious issue. One city cited California Assembly Bill 825 (which would have barred local agencies from prohibiting bike use on sidewalks but has since been vetoed) as a reason not to prohibit E-bikes on sidewalks.

When there is no defined bike lane, E-bike riders will ride on sidewalks as a matter of safety. E-bikes, depending on the class, can go up to 28 miles per hour, which is typically faster than a conventional bicycle and much faster than a walking pedestrian.

Although most current laws give the bicyclist and pedestrians the right of way, the reaction time for an E-bike rider going over 10 miles per hour on the sidewalk generally does not give the rider adequate opportunity to avoid pedestrians walking on the sidewalk or cars coming out of driveways.

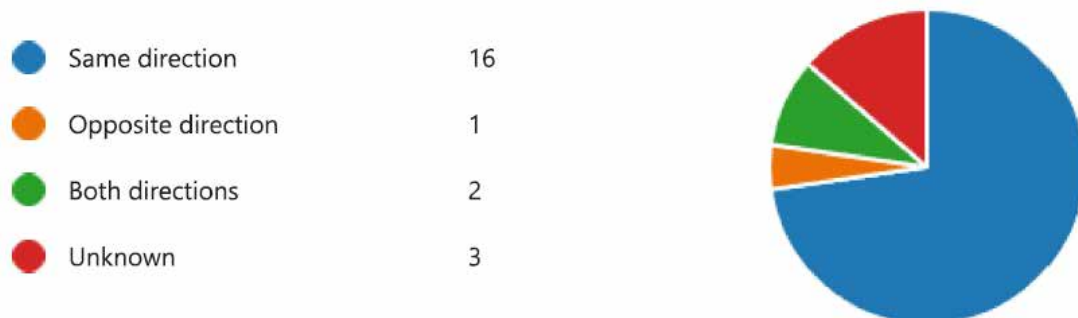
- **Does your city have posted speed limits for E-bikes?**



100% of the cities that answered the OCGJ survey indicated that they do not post speed limits for E-bikes. No reasons were cited as to why they are not posted for E-bikes even though their top speed can be as high as 28 miles per hour or faster if the rider disables speed restrictive devices thus allowing the E-bike to almost double its speed.

There are obvious issues involving where to place speed limit signs for E-bikes. They are allowed to travel in bike lanes, on sidewalks, and in some jurisdictions even allowed to ride in opposition to traffic.

- **In your city, are E-bikes expected to travel in the same direction or opposite direction from street traffic?**



Some cities have authorized E-bikes to ride against the flow of traffic. As stated in the OCTA website (in a section entitled “Wrong Way Riding”), riding against traffic is inherently dangerous due to:

- Oncoming cars approach at a much higher speed
- Drivers cannot see E-bike riders when turning left
- E-bike rider is unable to make right turns
- Traffic signals cannot be seen

- **Is safety training offered by the city for E-bike riders?**



Safety education and/or training for E-bike riders is available only sporadically and is, in most cases, optional. As noted in the survey, only 8 cities indicated that safety training was offered. The Orange County Register published a story (OC Register Jan 3, 2024) about a San Juan Capistrano resident who has taken on educating new E-bike riders as a result of her son being injured on an E-bike. An OCGJ visit to a local retailer of E-bikes found there was no formal training for E-bike purchasers or riders, and the only information to purchasers of E-bikes was a pamphlet. The Huntington Beach Police Department has a safety class every other month which focuses on E-bike safety. OCTA holds safety “bike rodeos” for E-bike riders. These are a few examples of the education available for E-bike riders, but none is mandatory prior to purchasing or riding an E-bike. Therefore, grass-roots efforts are another important step in promoting education and safety.

The OCGJ interviewed a member of the Central Newport Beach Community Association as to their concerns about education, safety, and enforcement regarding E-bikes. The Association has been active in monitoring E-bike use, specifically on the Balboa peninsula. Its focus has been on a perceived lack of enforcement of existing ordinances and the CVC on streets and the beach boardwalk. Along with education and safety training, the Association prefers active enforcement using radar guns, tickets, and increased law enforcement presence.

- **Do the schools/school districts in your city offer safety information and/or certification for student E-bike users on campus?**



There are 28 school districts spread across the 34 cities of Orange County. Cities were asked whether schools in their jurisdictions offer safety information to student E-bike riders. Of the 22 cities that responded to the survey, 7 answered yes and 2 answered no. The concerning number that leaps to the eye is that 13 survey respondents stated that they were unaware of their school district's participation in E-bike regulation. At the time of this report, the 5 districts (per district website) that currently require safety training and registration are:

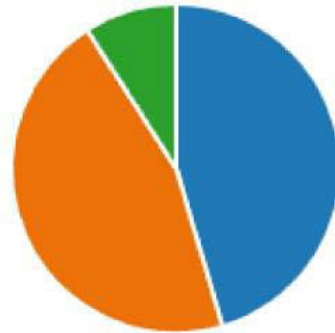
- Capistrano Unified
- Los Alamitos Unified
- Huntington Beach Union
- Irvine Unified
- Ocean View

- **Are there any other persons/groups that might be able to provide meaningful or relevant information regarding E-bikes to the Grand Jury?**

At least 6 cities referred this question to the OCSD. 6 others referred this question to their own police department. Interestingly, at least 6 suggested that their jurisdictional park rangers (if these are in place in their city) would be able to answer the question.

- **Is there outreach by the city being conducted to inform your community of any regulations and safety training?**

● Yes	10
● No	10
● Unknown	2



Of the 34 cities in Orange County, 22 responded to this question: 10 cities said “yes,” 10 cities said “no,” and 2 cities indicated “unknown.”

An example of outreach is the City of Irvine’s Police Department. The outreach has several elements which includes High Visibility Enforcement (HVE) operations to issue administrative citations to juveniles violating vehicle codes on E-bikes. It also hosts E-bike safety courses, E-bike rodeos, and community presentations on E-bike safety. There are also plans for Public Safety in collaboration with the Irvine Unified School District to implement a parking permit program which will require students riding E-bikes to school to attend workshops on E-bike safety before being issued a parking permit to park their E-bike on campus.

- **Does your city regulate the use of E-bikes?**

● Yes	4
● No	15
● Unknown	3



There were 15 cities who responded that they do not regulate E-bikes or their usage. The OCGJ felt that this statistic, on its own, warranted further investigation and, possibly, further action by such cities.



GENERAL COMMENTS FROM SURVEY RESPONDENTS

"I personally promote safe e-bike texts on local Facebook groups... about 16,000 members. I promote e-bike safety every council meeting."

"State and local legislation is lagging far behind e-bike technology and there is a lot of confusion amongst e-bike users and police regarding what is lawful and what is unlawful when it comes to e-bikes."

"Thank you for looking into this. I am a relatively new mayor and although I consider e-Bikes an issue, we have so many other issues that are taking priority. I would like to see e-Bikes banned from all trails that were previously used for bicycles and pedestrians only. They function more like scooters than bicycles."

"E-bikes and bike safety, in general, are very big topics in the community right now and our Police Department is currently doing A LOT to address these items. Besides conducting weekly High Visibility Enforcement (HVE) operations, IPD's traffic staff oftentimes issue administrative citations to juveniles who commit vehicle code violations on their bicycles, including E-bikes and E-scooters. In fact, approximately 50% of our administrative citations are issued to E-bike and E-scooter operators. Rather than paying a fine similar to conventional traffic citations, our administrative citations require the juvenile to attend a 2-hour long bike safety course with a parent or guardian on the weekend at City Hall."

“Our city will soon be meeting with reps from OCSD in reference to providing additional educational tools for e-bike riders. I have made contact with our local elected officials in reference to securing funds for e-bike enforcement and education.”

“The issue with E-bike safety is an active project in our traffic safety unit. Currently we are looking at any municipal codes which will assist with safety for e-bike riders and motorists.”

COMMENDATIONS

The following agencies contributed to the OCGJ’s investigation into the use of E-bikes in Orange County:

- Orange County Transportation Authority has taken a leadership role in outreach and education to all 34 Orange County cities
- Orange County Sheriff’s Department has been very proactive in keeping up with the everchanging rules of the road for E-bikes
- Central Newport Beach Community Association provided important data and various studies on E-bike usage in Newport Beach

FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires (or, as noted requests) responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court. Based on its investigation titled “E-bikes- Friend or Foe,” the 2023-2024 Orange County Grand Jury has arrived at three principal findings, as follows:

- F1. The majority of Orange County’s 34 cities do not have ordinances or policies in place, which makes it difficult to address the safe operation and regulation of E-bikes leading to confusion.
- F2. Due to the increasing incidence of E-bike injuries and deaths, there is a need for consistent and accurate tracking by law enforcement and first responders, which does not exist now.
- F3. Training and education on E-bike use and safety varies from city to city causing confusion amongst bike riders.

RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation described herein, the 2023-2024 Orange County Grand Jury makes the following recommendations:

- R1. Each Orange County city should have specific policies that define the rules of the road for use of E-bikes in their communities by December 1, 2024.
- R2. Each Orange County city should have a mechanism in place to report accidents, injuries and deaths involving E-bikes by December 1, 2024.
- R3. Each Orange County city should research and develop outreach and education programs regarding the safe operation of E-bikes for their residents by December 1, 2024.

RESPONSES

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made no later than 90 days after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official shall comment on the findings and recommendations pertaining to the matters under that elected official's control within 60 days to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

- (a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:
 - (1) The respondent agrees with the finding.
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

(b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the Grand Jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, therefore.

(c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

REQUIRED RESPONSES

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from:

Findings – 90 Day Response Required

City Councils of:

Aliso Viejo	F1, F2, F3
Anaheim	F1, F2, F3
Brea	F1, F2, F3

E-bikes Friend or Foe

Buena Park	F1, F2, F3
Costa Mesa	F1, F2, F3
Cypress	F1, F2, F3
Dana Point	F1, F2, F3
Fountain Valley	F1, F2, F3
Fullerton	F1, F2, F3
Garden Grove	F1, F2, F3
Huntington Beach	F1, F2, F3
Irvine	F1, F2, F3
La Habra	F1, F2, F3
La Palma	F1, F2, F3
Laguna Beach	F1, F2, F3
Laguna Hills	F1, F2, F3
Laguna Niguel	F1, F2, F3
Laguna Woods	F1, F2, F3
Lake Forest	F1, F2, F3
Los Alamitos	F1, F2, F3
Mission Viejo	F1, F2, F3
Newport Beach	F1, F2, F3
Orange	F1, F2, F3
Placentia	F1, F2, F3
Rancho Santa Margarita	F1, F2, F3
San Clemente	F1, F2, F3

E-bikes Friend or Foe

San Juan Capistrano	F1, F2, F3
Santa Ana	F1, F2, F3
Seal Beach	F1, F2, F3
Stanton	F1, F2, F3
Tustin	F1, F2, F3
Villa Park	F1, F2, F3
Westminster	F1, F2, F3
Yorba Linda	F1, F2, F3

Recommendations – 90 Day Response Required

City Councils of:

Aliso Viejo	R1, R2, R3
Anaheim	R1, R2, R3
Brea	R1, R2, R3
Buena Park	R1, R2, R3
Costa Mesa	R1, R2, R3
Cypress	R1, R2, R3
Dana Point	R1, R2, R3
Fountain Valley	R1, R2, R3
Fullerton	R1, R2, R3
Garden Grove	R1, R2, R3
Huntington Beach	R1, R2, R3
Irvine	R1, R2, R3
La Habra	R1, R2, R3

E-bikes Friend or Foe

La Palma	R1, R2, R3
Laguna Beach	R1, R2, R3
Laguna Hills	R1, R2, R3
Laguna Niguel	R1, R2, R3
Laguna Woods	R1, R2, R3
Lake Forest	R1, R2, R3
Los Alamitos	R1, R2, R3
Mission Viejo	R1, R2, R3
Newport Beach	R1, R2, R3
Orange	R1, R2, R3
Placentia	R1, R2, R3
Rancho Santa Margarita	R1, R2, R3
San Clemente	R1, R2, R3
San Juan Capistrano	R1, R2, R3
Santa Ana	R1, R2, R3
Seal Beach	R1, R2, R3
Stanton	R1, R2, R3
Tustin	R1, R2, R3
Villa Park	R1, R2, R3
Westminster	R1, R2, R3
Yorba Linda	R1, R2, R3

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E-bikes Friend or Foe

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<https://octa.net/getting-around/active/oc-bike/e-bikes/>

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GLOSSARY

CNBCA	Central Newport Beach Community Association
CVC	California Vehicle Code
E-bike	Electric bicycle
HVE	High Visibility Enforcement
OCGJ	Orange County Grand Jury
OCSD	Orange County Sheriff's Department
OCTA	Orange County Transportation Authority

APPENDICES

APPENDIX 1

Current County of Orange E-Bike Laws - Unincorporated Areas ¹

- All E-bikes are required to have a label that describes classification, top assisted speed, and motor wattage.
- Helmets are recommended for all E-bike users. If you are under 18, it's required!
- It is illegal to carry passengers on your E-bike unless your bike has an extra permanent seat or when using a child safety seat.
- E-bikes shall not be operated in excess of their designed speed or the speed limit, whichever is lower, on the road, and in no event in excess of 10 miles per hour on paved trails.
- E-bike shall not be operated in excess of 5 miles per hour on sidewalk.
- Riding on the road against the flow of traffic is prohibited.

¹ Orange County Public Works. 2024. "E-bike Safety in the County of Orange." Accessed May 22, 2024. <https://www.ocgov.com>.

APPENDIX 2

California Vehicle Code Section 312.5 as of December 23, 2023

An electric bicycle is a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts. Three classes of electric bicycles have been established:

- Class 1: A low speed pedal-assisted electric bicycle equipped with a motor which provides assistance only when the rider is pedaling and ceases to provide assistance when a speed of 20 mph is reached.
- Class 2: A low speed throttle-assisted electric bicycle equipped with a motor used exclusively to propel the bicycle and NOT capable of providing assistance when a speed of 20 mph is reached.
- Class 3: A low speed pedal-assisted electric bicycle equipped with a speedometer, and a motor which provides assistance only when the rider is pedaling and ceases to provide assistance when a speed of 28 mph is reached.

The operator of a Class 3 electric bicycle:

- **Must** be 16 years old or older.
- **Must** wear a bicycle safety helmet.
- **Must not** transport passengers.
- **May** ride an electric bicycle in a bicycle lane **if** authorized by local authority or ordinance.

All electric bicycle classes are exempt from the motor vehicle financial responsibility, driver's license, and license plate requirements (CVC § 24016).

APPENDIX 3

California Assembly Bills

Listed below are some of the bills introduced into the State legislature, as published by LegiScan, that have a variety of proposed regulations regarding E-bikes. This is by no means a comprehensive list, and in the interest of brevity we do not include the text of each bill.

AB 458 10/08/2023 Chaptered-Regulation of insurance requirements for businesses renting micro mobility vehicles, a category which includes E-bikes.

AB 1773 04/01/2024 In committee-Where E-bikes are permitted to operate.

AB 1774 04/09/2024. This bill would prohibit a person from selling a product or device that can modify the speed capability of an electric bicycle such that it no longer meets the definition of an electric bicycle.

AB 2234 04/01/2024 In committee: The bill will require anyone over the age of 12 without a valid driver's license to take an online e-bike safety training course and pass a written test to prove they understand traffic safety rules. Those without a valid driver's license must have a state-issued ID to operate an E-bike.

SB 295 06/16/2023 In committee. Allows Public Agency authority to regulate E-bikes, et. al. on public property.

SB 381 10/13/2023 Chaptered-Comprehensive study of E-bikes.

SB 1271 04/11/2024. This bill would clarify that an electric bicycle is a bicycle equipped with fully operable pedals and an electric motor with continuous rated mechanical power of not more than 750 watts. The bill would, if an electric bicycle is capable of operating in multiple modes, require a manufacturer and distributor to include on the label the classification number of the highest classes of which it is capable of operating. Also requires lab accreditation of micro mobility batteries.

APPENDIX 4

County of Orange Ordinance No. 18-002

AN ORDINANCE OF THE COUNTY OF ORANGE, CALIFORNIA AMENDING SECTION 2-5-29(n) OF THE CODIFIED ORDINANCES OF THE COUNTY OF ORANGE, REGARDING PROHIBITED MOTORIZED WHEELED CONVEYANCES.

The Board of Supervisors of the County of Orange ordains as follows:

SECTION 1. Section 2-5-29(n) of the Codified Ordinances of the County of Orange is hereby amended to read as follows:

Sec. 2-5-29.- Vehicle regulation.

(n) Motorized Wheeled Conveyance prohibited. No person shall operate or drive any electric or combustible motorized skateboard, scooter, dirt bike, mini bike, mini motor bike, mini motorcycle, go-kart, go-ped, all-terrain vehicle, quad runner, dune buggy or any similar electric or combustible motorized conveyance in any park, beach or recreational area, with the exception of Class 1 and Class 2 electric bicycles, as defined by the California Vehicle Code, on those regional paved, off-road bikeways designated for such use by the Director of OC Parks, with the approval of the Board of Supervisors.



Emerging Opportunities in South County Water/Wastewater Systems



GRAND JURY 2023-2024

TABLE OF CONTENTS

SUMMARY	1
BACKGROUND	1
REASON FOR THE STUDY	5
METHOD OF STUDY	5
INVESTIGATION AND ANALYSIS	7
WATER SYSTEMS – THE CONSOLIDATION PROCESS	7
<i>Case Study: City of San Juan Capistrano and Santa Margarita Water District</i>	<i>7</i>
<i>LAFCO’s Regulatory Role: Municipal Service Reviews</i>	<i>7</i>
<i>Summation</i>	<i>11</i>
WASTEWATER SYSTEMS - REGIONAL COLLABORATION	11
<i>Case Study: South Orange County Wastewater Authority (SOCWA)</i>	<i>11</i>
<i>Joint Power Authority: Governing Structure</i>	<i>13</i>
<i>SOCWA: Disputes and Succession</i>	<i>14</i>
<i>Summation</i>	<i>16</i>
THE PATH FORWARD	17
COMMENDATIONS	19
FINDINGS	20
RECOMMENDATIONS	20
RESPONSES	21
Responses Required	22
REFERENCES	23
GLOSSARY	27
APPENDICES	29
APPENDIX 1	29
<i>South Orange County Water Resource Agencies</i>	<i>29</i>
APPENDIX 2	30
<i>South Orange County Water Resource Agencies Summary Data</i>	<i>30</i>
APPENDIX 3	31
<i>South Orange County Water Districts/Providers</i>	<i>31</i>

SUMMARY

This Orange County Grand Jury (OCGJ) report examines the 2021 consolidation of the City of San Juan Capistrano's (SJC) water and wastewater utilities with the Santa Margarita Water District (SMWD). It sheds light on the challenges encountered and benefits achieved through consolidation. The reorganization revealed unforeseen infrastructure costs. Also, different rate structures between the combined systems resulted in a dramatic fire line service rate increase for non-residential customers that prompted protest from some of the affected ratepayers. Going forward, the lessons learned from the SMWD experience are relevant for future consolidations. Based on the findings presented in this report, the OCGJ recommends that the Orange County Local Agency Formation Commission (LAFCO) develop an ongoing practice of evaluating post-consolidation outcomes and public impacts.

Further, this OCGJ report delves into the interrelationship of water and wastewater in South Orange County. The OCGJ studied the South Orange County Wastewater Authority (SOCWA), one of the largest collaborations of wastewater service providers in the region. Disputes among its member agencies, including litigation, have strained relations causing a bureaucratic entanglement that hinders operational effectiveness. Proposals and negotiations are underway that could ultimately affect the status of its members and the realignment of treatment plants serving South Orange County.

SOCWA is a long-standing joint powers authority (JPA) that shares several wastewater facilities managed through agreements that are due to expire in 2030. Its continuance as a JPA is tenuous yet its regulatory function remains relevant. As such, the OCGJ recommends LAFCO form a task force comprising representatives from affected water agencies to study the transformation of SOCWA and prepare a report identifying the optimal future of water and wastewater systems in South Orange County.

Technologies, innovation, and increased State and federal funding are on the horizon for the water and resource recovery industry. The OCGJ finds an urgent need to unite the South Orange County water and wastewater agencies so that South Orange County is in a better position to seize the opportunities that lie ahead.

BACKGROUND

Providing water and processing wastewater in Orange County has consistently captured the public's attention. Over the past 25 years, Grand Juries have issued 15 reports addressing various water-related challenges. Many of these reports emphasize the importance of consolidating water and wastewater agencies. Orange County is home to numerous governmental entities, including special districts and JPAs that oversee an array of countywide functions, particularly those related to water and wastewater service

providers. Specifically, there are 29 retail water suppliers¹ in Orange County with their own independent governing boards and associated bureaucracies.

Previous OCGJs have raised concerns about the redundancy, laden costs, and complexity of public agencies for decades. Reports investigated the intricate web of independent special districts. Consolidating the large number of public agencies overseeing water and wastewater systems is a matter of significant concern.²

Over the past six decades, Orange County's history reflects a transformation from an agricultural hub to a thriving residential and commercial community. Rapid growth during this period caused a proliferation of water districts throughout the county. This resulted in an overabundance of water retailers operating within one of the geographically smallest counties in California.

In more recent times, water districts have found it necessary and advantageous to consolidate with other compatible public agencies. The Irvine Ranch Water District (IRWD) successfully acquired 5 water agencies in the last 27 years, with the most recent consolidation occurring in 2008.³ The latest annexation within Orange County occurred in 2021 when the Santa Margarita Water District (SMWD) acquired the water and wastewater systems of the City of San Juan Capistrano (SJC) through annexation.

Additionally, the potential consolidation of Orange County Water District (OCWD) and Municipal Water District of Orange County (MWDOC)—the county's two major water wholesalers—is currently under review by the Orange County LAFCO. This is highlighted in the 2021-2022 OCGJ report titled "Water in Orange County Needs One Voice."⁴

Advancing technology has made wastewater a sought-after commodity essentially adding to the water supply. In the realm of Orange County wastewater, there are two main wastewater service providers: the Orange County Sanitation District (OCSAN) and SOCWA. Both handle regional wastewater collection and treatment within their respective areas. Despite providing similar services, they operate under different governance structures. OCSAN is a special district, while SOCWA operates as a JPA. OCSAN serves 25 agencies covering north and central Orange County, totaling 2.5 million residents, while SOCWA currently represents 7 water and sewer agencies in South Orange County, serving approximately 600,000 residents. (See figures 1 and 2)

¹ Retail water suppliers provide potable municipal water to more than 3,000 end users or supply more than 3,000 acre-feet of potable water annually at retail for municipal purposes. (Cal. Water Code § 10608.12.)

² 2011-2012 Orange County Grand Jury report titled "Dragging Special Districts from The Shadows"

³ Consolidations (irwd.com)

⁴ 2021-2022 Orange County Grand Jury report titled "Water in Orange County Needs One Voice" https://www.ocgrandjury.org/sites/jury/files/2023-06/2022-06-22_Water_in_Orange_County_Needs_One_Voice.pdf

Orange County Wastewater Agencies

	OCSAN	SOCWA
Services	Regional wastewater collection and treatment	Regional wastewater collection and treatment
Governing Structure	Special District	JPA
Agencies Served	25 agencies covering North and Central Orange County	7 water and wastewater agencies covering South Orange County
Funding	Property taxes, utility bills, grants and loans	Directly from member agencies. (no taxing authority)
# Residents Served	~2.5 million	~600,000

Figure 1-Wastewater Agencies

Water Agencies in South Orange County

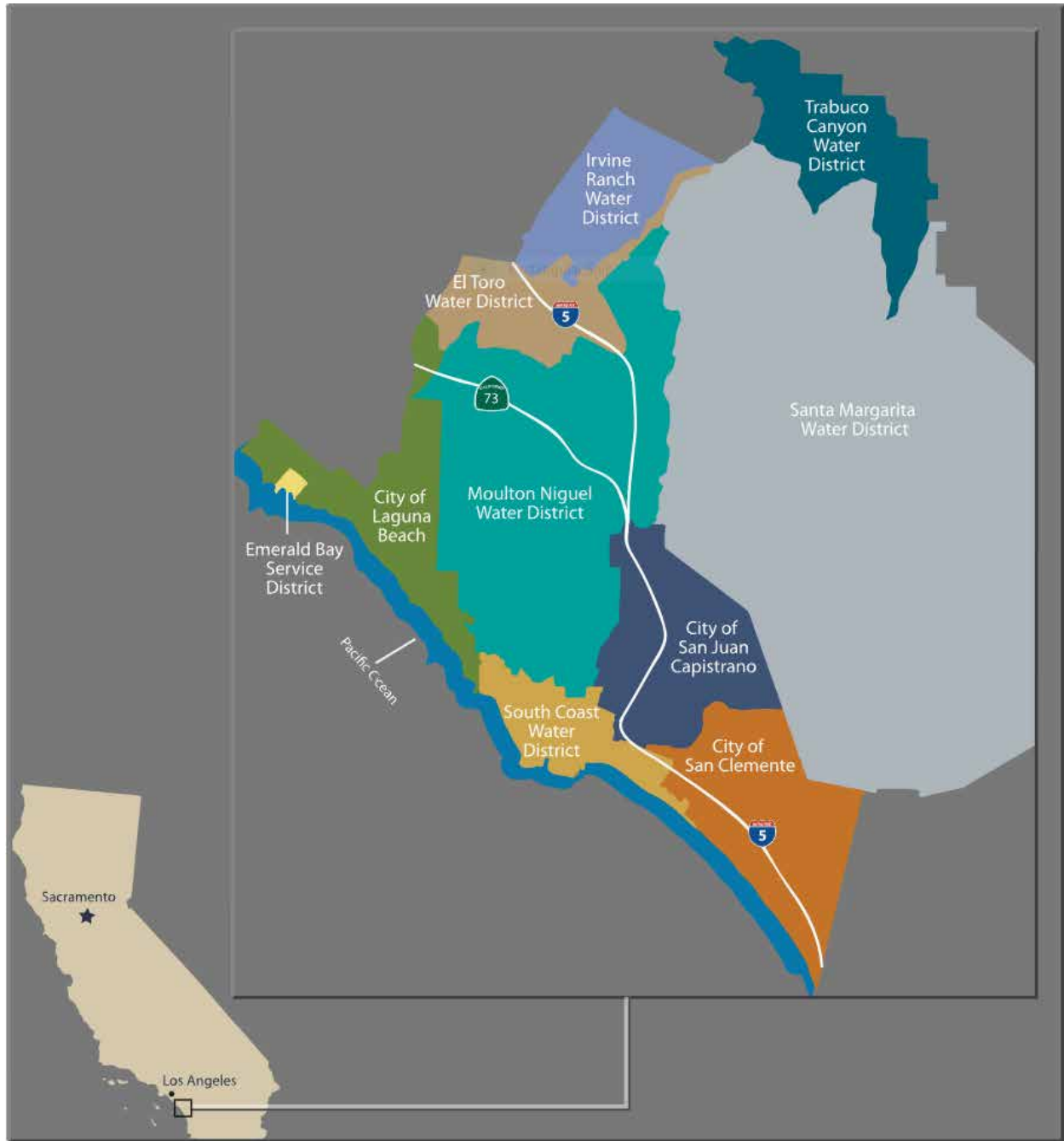


Figure 2

Courtesy of SOCWA

Note: Santa Margarita Water District annexed the City of San Juan Capistrano Utilities in 2021. Laguna Beach County Water District serves the City of Laguna Beach and the Emerald Bay Service District.

REASON FOR THE STUDY

The public is generally unaware of the intricate processes and unseen operators who control the flow of their household water and sewage. However, the public has recently become keenly aware of rising utility bills. Media coverage has highlighted various water agencies raising rates to address escalating water costs, aging infrastructure, lack of upgrades, and deferred maintenance. The condition of water and wastewater infrastructure must be regularly assessed for an effective capital improvement program to maintain optimum performance.⁵ A recent example is the proactive April 16, 2024 “Huntington Beach Water/Wastewater Rate Report” proposal needed to ensure reliable water and wastewater systems through 2040.⁶ Over the past few years, several water agencies across Orange County have faced backlash from ratepayers for massive hikes to cover such expenses.

In 2023, public attention was drawn to the aftermath of the SMWD’s 2021 annexation of the SJC water systems. Media reports cited SMWD officials claiming neglect under prior SJC management. News coverage also focused on proposed rate increases so excessive that they generated protests from some of the most severely impacted customers. This being the most recent water systems consolidation, OCGJ was curious about the overall process, pre-existing condition of city’s water systems, and reasons underlying these major rate differences.

Additionally, with an interest in regional water matters, the OCGJ decided to extend its scope and examine the broader network of water and wastewater entities in South Orange County. The OCGJ identified a group of major water/wastewater providers that, through a long-standing JPA, manage and provide regional collection and treatment of wastewater to support their respective service areas. The OCGJ then undertook an investigation to assess the governance structure and operational effectiveness of this collaborative legal network. The OCGJ was particularly interested in the interrelationship of these water and wastewater providers and the prospect of future consolidations in South Orange County.

METHOD OF STUDY

The OCGJ conducted interviews with key personnel, attended tours, observed meetings, and reviewed documents relevant to the topic. Research focused primarily on public agencies serving South Orange County.

⁵ Capital Improvement Program, <https://efc.sog.unc.edu/resource/capital-planning-resources-for-water-and-wastewater-utilities/>

⁶ Huntington Beach Water / Wastewater Rate Report, <https://huntingtonbeach.legistar.com/View.ashx?M=F&ID=12846347&GUID=CF0B144A-8C49-4FFE-BC0F-EADFC70C317C>

Emerging Opportunities in South County Water/Wastewater Systems

Interviews:

- Shea Therapeutic Riding Center
- City of Laguna Beach
- ATS Financial Services
- City of San Clemente
- City of San Juan Capistrano
- South Coast Water District
- Santa Margarita Water District
- Moulton-Niguel Water District
- Irvine Ranch Water District
- Laguna Beach County Water District
- Municipal Water District of Orange County
- Trabuco Canyon Water District
- El Toro Water District
- South Orange County Wastewater Authority
- Orange County Water District
- Orange County LAFCO
- Berkson Associates Consulting
- Emerald Bay Service District

Site Visits:

- Orange County Emergency Operating Center at Loma Ridge
- Orange County Sanitation District
- Santa Margarita Water District
- Irvine Ranch Water District
- San Clemente Public Works Department
- South Coast Water District
- South Orange County Wastewater Authority
- Coastal Treatment Plant
- Municipal Water District of Orange County
- Orange County Water District
- Moulton Niguel Water District
- Laguna Beach County Water District
- JB Latham Treatment Plant
- City of Laguna Beach Public Works
- El Toro Water District
- Robert B. Diemer Treatment Plant

Meetings:

- LAFCO
- Municipal Water District of Southern California
- OCWD Water Summit
- Water Advisory Committee of Orange County (WACO)

Documents and Websites Reviewed:

- Previous Grand Jury reports
- M1 Manual-Association of California Water Agencies the *Manual of Standard Practices* by the American Water Works Association
- Websites, staff reports, agendas, and meeting recordings for water agencies in South Orange County
- Review of applicable State and local laws and regulations
- Local news articles and reports

INVESTIGATION AND ANALYSIS

WATER SYSTEMS – THE CONSOLIDATION PROCESS

Case Study: City of San Juan Capistrano and Santa Margarita Water District

The City of San Juan Capistrano's (SJC) water utilities transfer offers an insightful case study highlighting the challenges and benefits with consolidating its municipal water systems with the Santa Margarita Water District (SMWD). Records dating back to 2000 reveal a decades-long struggle marked by local political tensions, financial strain from ratepayer lawsuits, deferred maintenance, and insufficient capital reinvestment in the water system. These factors, compounded by a reluctance to adjust rates to cover ongoing water costs, culminated in a critical junction where the city eventually found itself seeking a more capable water provider to assume control of its water systems.

In the pivotal year of 2011, the financial hardships plaguing SJC intensified. A series of multimillion dollar lawsuits led to a substantial decrease in the city's bond rating, creating an additional \$7.5 million deficit in the city's budget. Faced with this fiscal crisis, the city resorted to extreme budgetary measures with city-wide cutbacks affecting the utility sector.

This financial rollercoaster persisted through Fiscal Years 2012 to 2014, until 2015 delivered yet another major economic hit. There was an unfavorable Court of Appeal's decision in a lawsuit concerning the City's billing rate system that impacted affluent and high-water users. It mandated an additional \$4.1 million refund, exacerbating the City's already precarious financial state.⁷ It was at this point, in 2015, that the City began to explore divesting its water and wastewater utilities. By August 2016, the City took a decisive step by filing an application with Orange County LAFCO to conduct a focused Municipal Service Review (MSR). The purpose was to explore the potential transfer of its water and wastewater operations and facilities to a public successor agency.

LAFCO's Regulatory Role: Municipal Service Reviews

LAFCOs are independent regulatory commissions throughout California that were created by the legislature in 1959 and are charged with controlling and adjusting the boundaries of cities and most special districts in all 58 counties. (See Cal. Gov. Code §§ 56001, 56325.) Besides regulating local government boundaries, LAFCOs play an important role in evaluating municipal services within their counties and making recommendations for improvements. LAFCOs review and update the designated sphere of influence for each city and special district under their jurisdiction. Prior to establishing or updating a sphere of influence, LAFCO must perform a special MSR. MSRs are comprehensive studies to determine the adequacy of governmental services being provided by the local agencies under LAFCO jurisdiction. MSRs can be conducted

⁷ Meghann M Cuniff, "San Juan Capistrano to pay \$4.1 million to refund customers for illegal water rates" *Orange County Register*, June 18, 2015.

individually for specific cities or districts, covering all services, or on a county-wide or regional basis focused on specific services.

As the local regulatory agency, Orange County's LAFCO was tasked with reviewing the annexation proposal submitted by SJC and analyzing the financial suitability and operational capability of potential public successor agencies. On October 10, 2018, LAFCO issued its Focused MSR,⁸ which assessed the SJC's utilities and identified potential successor public agencies to assume their operations.⁹ This report held significant weight in the City's search for a solution to off-loading its distressed assets.

The MSR identified three interested special water districts for further consideration: South Coast Water District (SCWD), Santa Margarita Water District (SMWD), and Moulton Niguel Water District (MNWD). Notably, the report underscored that all three potential agencies were generally better positioned than the city to provide water and sewer services to the community,¹⁰ thus marking a turning point in SJC's search for a viable solution to its long-standing water system challenges.

Following presentations from three qualified special districts and input from the public, SJC selected SMWD on February 19, 2019, for further discussion on the transfer of the City's water and sewer utility systems. The City Council's rationale for this decision was based on the potential for an economy of scale, enhanced operations, infrastructure improvements, and stabilized utility rates for its ratepayers.¹¹ Subsequently, on January 21, 2020, the City unanimously approved the annexation agreement with SMWD¹² and in late winter of 2020, SMWD filed an annexation application with LAFCO.¹³ As part of the process, SMWD submitted a Plan of Service proposing enhanced efficiency and cost-effective delivery of services to the affected ratepayers.¹⁴

On August 19, 2021, LAFCO approved the SMWD annexation of SJC's water and wastewater utilities, citing such benefits as stabilization of rates and immediate, long-term improvements of both utilities.¹⁵ SMWD assumed operational control of the City's water systems on November 15, 2021¹⁶, designating the area formerly serviced by the

⁸ FOCUSED MUNICIPAL SERVICE REVIEW (oclafco.org)

⁹ Orange County Local Agency Formation Commission Agenda Report Proposed "Santa Margarita Water District Annexation of the City of San Juan Capistrano Water and Wastewater Utilities" August 19, 2021, p. 1.

¹⁰ *Ibid.* pp. 1-2.

¹¹ *Ibid.*

¹² San Juan Capistrano City Council Meeting Minutes dated January 21, 2020, p. 4.

¹³ Santa Margarita Water District Letter to Local Agency Formation Commission, Orange County Subject: City of San Juan Capistrano Potable Water, Recycled Water, and Wastewater Utilities – Santa Margarita Water District's Plan of Service and Application Form, December 23, 2020, pp. 1-2.

¹⁴ *Ibid.*

¹⁵ Orange County Local Agency Formation Commission Agenda Report Proposed "Santa Margarita Water District Annexation of the City of San Juan Capistrano Water and Wastewater Utilities" August 19, 2021, pp. 21-22.

¹⁶ FAQs • Why does SMWD want to take over San Juan Capistrano's Water and Wastewater service from the City? <https://www.smwd.com/faq.aspx?qid=180>

SJC as Improvement District 9 (ID 9), distinct from SMWD's Improvement Districts 1 through 8.¹⁷

In May 2023, SMWD issued a Cost of Service and Rate Study concerning ID 9 that focused on determining rates necessary to cover water service costs as required by the California Constitution under Proposition 218.¹⁸ The study found 135 prominent ratepayers, including shopping centers, industrial buildings, schools, churches, and a major non-profit, that would be significantly impacted by the proposed monthly rate increases,¹⁹ specifically for their fire service lines. For instance, businesses faced increases from nearly \$9,700 to over \$14,000 annually for fire service lines, a result of SMWD's new rate methodology based on capacity. In contrast, residential lines saw more modest increases of no more than \$30 a month.²⁰

SMWD responded to the rate increase concerns by sending out required notices to new ID 9 ratepayers and met with those severely impacted. The proposed rate increases were publicized by local media, leading to protests from some affected ratepayers. At a July 12, 2023, public hearing on proposed rates, SMWD staff highlighted the City's deferred maintenance of infrastructure, and the lack of rate increases since July 2018. They argued that the increases were necessary to align ID 9 with the rest of the district. Protesting ratepayers claimed the proposed rate hikes were unjust. One ratepayer hired a consultant to evaluate the SMWD rate study. Thirteen water districts in Orange and Riverside Counties were included in the investigation. The rate methodology employed in the SMWD Cost of Service and Rate Study was not used in any of the 13 districts that were studied.²¹

In response to this feedback, SMWD's Board of Directors voted to continue the meeting to August 2, 2023. On that date, the Board approved ID 9 water rate increases proposed by staff, except for the capital charge component for fire meter owners. Additionally, the Board ordered a new Cost of Service and Rate Study for all districts within SMWD to be completed by June 30, 2024.

¹⁷ <https://www.smwd.com/DocumentCenter/View/4247/SMWD-ID-9-Cost-of-Service-and-Rate-Study> p.3.

¹⁸ *Ibid.*

¹⁹ Santa Margarita Water District Memorandum to: Board of Directors From Daniel Ferons, Erica Castillo Subject: Public Hearing on Proposition 218 Rate Structure; and Consideration and Action on Adoption of Resolution No. 2023-07-01 Adopting Adjustments in its Potable Water, Recycled Water, and Wastewater Service Charges and Water Shortage Contingency Rates for Improvement District No. 9 (San Juan Capistrano) Agenda Packet July 12, 2023, p.7.

²⁰ Brandon Pho, Noah Biesiada, San Juan Capistrano Businesses Shocked over Staggering Proposed Water Bill Hike, *Voice of OC*, June 22, 2023.

²¹ Findings Report, ATS Financial Services, July 6, 2023 "Analysis of ID 9 (SJC) of the SMWD Cost of Service and Rate Study and Proposed Rate Adjustments."

SJC/SMWD Consolidation Timeline

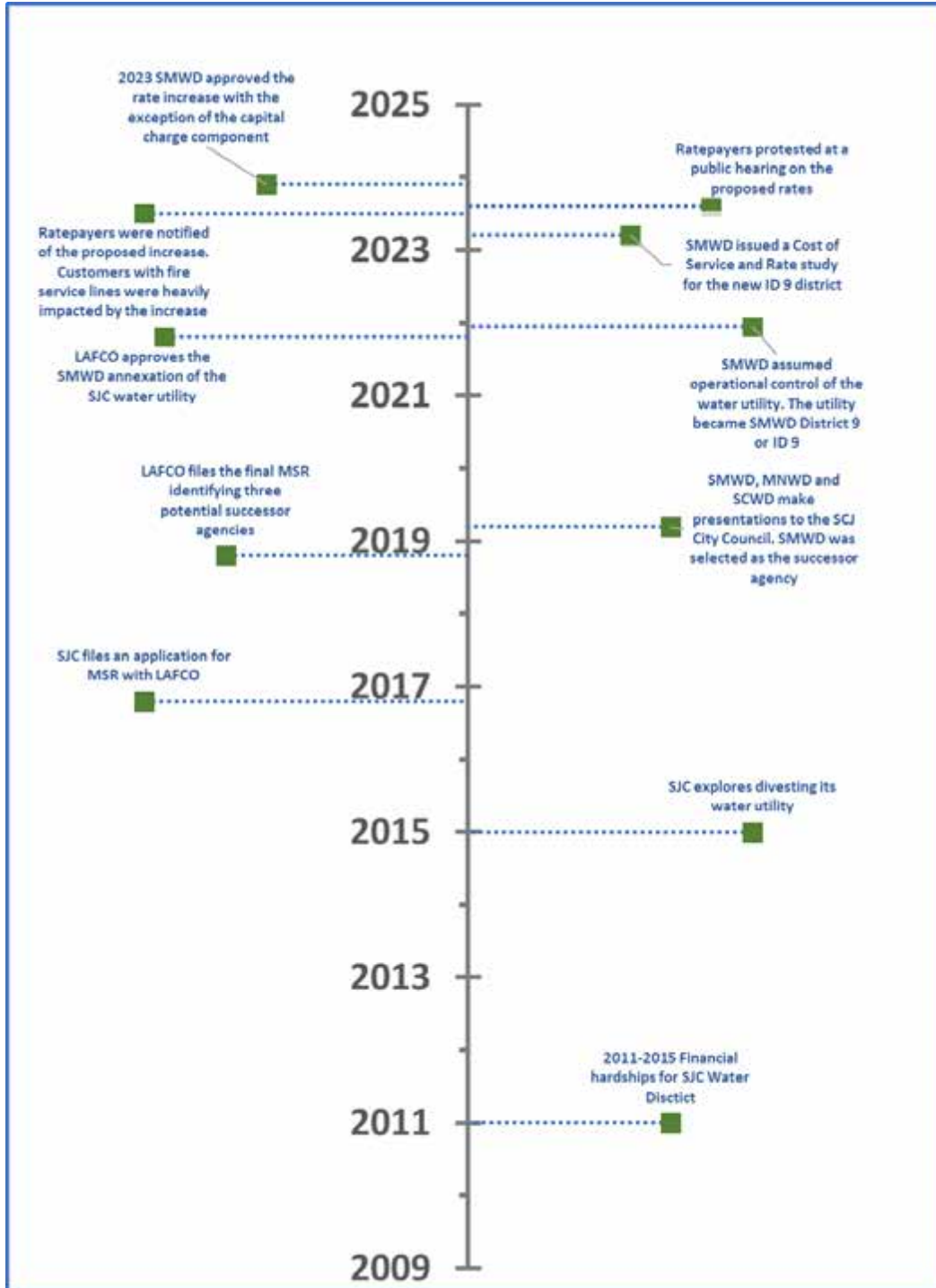


Figure 3

Summation

Although initial rate increases drew some criticism from the community, after the consolidation, the average monthly residential rate went up \$30. Overall, the SMWD consolidation signaled a positive direction for SJC's water future. Since the transfer, new SMWD customers have generally expressed satisfaction with their new provider's service and water quality, as reflected in polls and customer surveys.²² Additionally, SMWD is actively addressing deferred maintenance needs and making necessary infrastructure capital improvements neglected over time. Also, customer rates for ID 9 are on schedule to be consistent with the entire district by 2030.²³

The case of the SJC's water systems having undetected deficiencies underscores the need for an extensive assessment of the utilities in advance of such reorganizations. Transparency and more due diligence would have mitigated some consolidation concerns and helped smooth the transition of service providers. Research also suggests the need for a more extensive analysis of rate increases for non-residential customers.

WASTEWATER SYSTEMS - REGIONAL COLLABORATION

Case Study: South Orange County Wastewater Authority (SOCWA)

SOCWA was formed in 2001 when the South East Regional Reclamation Authority, Aliso Water Management Agency, and South Orange County Reclamation Authority consolidated to meet the wastewater needs of more than 500,000 homes.

The mission of SOCWA is to collect, treat, beneficially reuse, and dispose of wastewater in a manner that protects and respects the environment; maintains the public's health; and meets local, state, and federal regulations.²⁴ (See figure 4)

SOCWA exists to handle the wastewater needs of homes and businesses throughout South Orange County. It oversees the entire process from collection to disposal, ensuring water is treated properly. Additionally, SOCWA plays an important role in producing recycled water for irrigation and commercial purposes, saving a substantial amount of domestic water annually. This translates to preserving around 1.6 billion gallons of water, equivalent to 16,259 acre-feet.

SOCWA operates in collaboration with member agencies, including local water providers and local cities. It manages various programs to fulfill the Clean Water Act and National Pollutant Discharge Elimination System (NPDES)²⁵ permit requirements. It also operates two ocean outfalls and three wastewater treatment plants. The facilities

²² One Year Later: A Look at Santa Margarita Water District's Acquisition of San Juan Capistrano's Water Utilities | Eye on SJC | picketfencemedia.com.

²³ *Ibid.*

²⁴ *Ibid.*

²⁵ National Pollutant Discharge Elimination System (NPDES) | US EPA

owned and/or operated by SOCWA include the Coastal Treatment Plant located in the City of Laguna Beach, the JB Latham Treatment Plant located in the City of Dana Point, and the Regional Treatment Plant located in the City of Laguna Niguel. Together these three plants provide regional collection and treatment to approximately one third of the County's population.

Wastewater Purification and Recycling

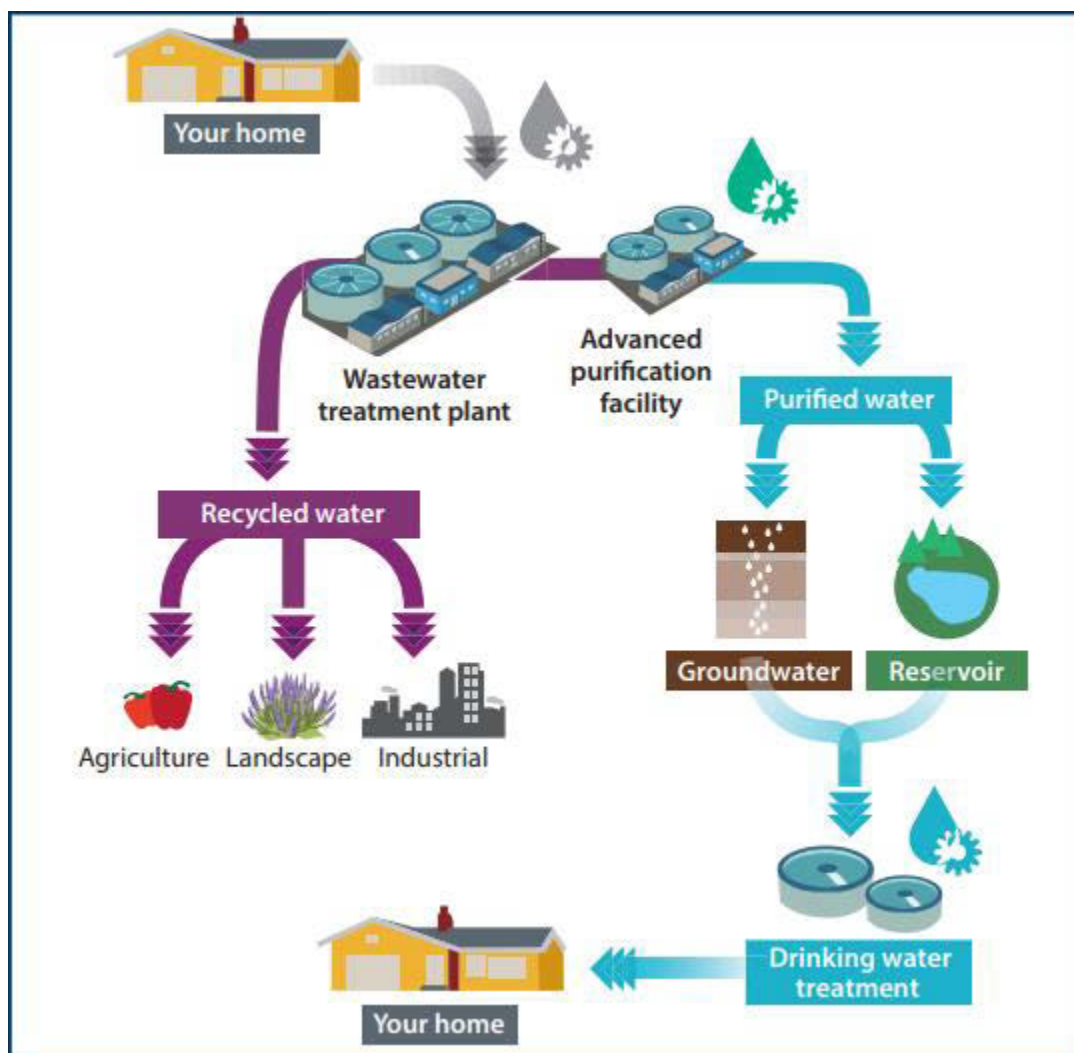


Figure 4

Source: sdcwa.org waternewsnetwork.com

Joint Power Authority: Governing Structure

SOCWA is a JPA originally founded by 10 member agencies consisting of local water and service districts and cities. A JPA is a membership between two or more public agencies to jointly exercise common powers.²⁶ SOCWA currently has 7 member agencies which include two cities, four water districts, and a community services district. The four water districts in SOCWA provide sewer and water service to their customers. (See Appendices 1 and 2).

SOCWA's Board of Directors is made up of one representative from each of SOCWA's members. Each director has one vote regardless of their individual levels of contribution to SOCWA's revenues or the size of the population or territory they serve. Among other functions, the Board is responsible for approving SOCWA's budget, appointing its general manager, and taking other administrative actions. While SOCWA's Board governs matters that affect SOCWA as a whole, members enter into agreements with each other to establish project committees to serve their specific needs.²⁷

A project committee forms when members enter into agreements to share the cost of an existing SOCWA wastewater processing facility or to construct a new facility in exchange for their use of the facility for processing their wastewater products or for other purposes. By entering into these agreements, members establish a right to a certain amount of capacity in a SOCWA facility. Capacity here refers to the member's right to use the facility to process wastewater liquids and solids or to perform advanced water treatment. Project committee agreements and budgets express these capacities as a percentage of the total capacity of the facility for its different functions.²⁸

Voting at the project committee level also follows a one-member, one-vote structure. Members of a project committee vote on matters directly related to that project committee, including budgets to maintain or expand the facility. Members of project committees are bound by the terms of their agreements to pay their share of project costs. Members may only be relieved of this obligation by mutual consent of all participating members of the particular project committee.²⁹

SOCWA has no direct taxing authority, and nearly all funding for its operations comes directly from the contribution of members. SOCWA bills project committee members for their share of SOCWA's costs to construct, operate, and maintain the facilities the project committees utilize. Project committee agreements establish each participating

²⁶ <https://www.auditor.ca.gov/reports/2017-113/introduction>.

²⁷ *Ibid.*

²⁸ *Ibid.*

²⁹ *Ibid.*

member's share of operation and maintenance costs and capital costs generally based on the member's level of usage or capacity rights.³⁰

SOCWA: Disputes and Succession

In May 2017, SOCWA, along with three of its members, filed a lawsuit alleging that one of its members – Moulton Niguel Water District (MNWD) had failed to pay its contractual share of project costs for the Coastal Treatment Plant (CTP).³¹ MNWD entered into a project committee with the City of Laguna Beach, SCWD, and Emerald Bay Service District (EBSD) in 1999 to use CTP's capacity to process up to 1.96 million gallons per day (MGD) of its wastewater products. In response, MNWD stated it no longer used any of its contractual capacity to CTP and filed an answer and cross-complaint in August 2017 alleging fiscal mismanagement, fiscal improprieties, and poor retention of financial records on the part of SOCWA.³²

In March 2018, the California State Auditor released its audit report (SOCWA State Audit Report)³³ concerning the financial management practices and governance structure of SOCWA. It found that the elements of SOCWA's governance structure were generally similar to that of other wastewater and water JPAs in California. The report found evidence of financial mismanagement and inadequate record keeping but indicated that SOCWA had taken steps to correct its fiscal and record keeping practices. In response to the audit SOCWA agreed to the recommendations contained in the report.³⁴

In February 2019, the Riverside Superior Court issued its tentative ruling holding that MNWD was legally obligated to pay its proportional share of all costs, including capital costs and items necessary to maintain and operate the Coastal Treatment Plant until February 19, 2030 when the CTP project agreement ended.³⁵ In May 2019, SOCWA, MNWD, SCWD, EBSD, and the City of Laguna Beach issued a public statement regarding the litigation on the coastal treatment plant, and that the parties had agreed to resolve their differences on mutually agreeable terms.³⁶

On August 9, 2023, LAFCO issued its MSR Sphere of Influence Reviews covering the Southwest Region (OCLAFCO SW MSR).³⁷ It identified all agencies in the region that receive wastewater services in some capacity from SOCWA. Services provided by SOCWA generally fit into two areas:

³⁰ <https://www.auditor.ca.gov/reports/2017-113/introduction>.

³¹ *Ibid*

³² *Ibid*.

³³ <https://www.auditor.ca.gov/reports/2017-113/summary.html>

³⁴ <https://www.auditor.ca.gov/reports/2017-113/response.html>

³⁵ <https://www.ocreger.com/2019/02/27/judge-rules-on-2-million-dispute-over-orange-county-sewage-plant/>

³⁶ <https://www.ocreger.com/2019/05/20/moulton-niguel-water-district-agrees-to-pay-4-8-million-in-wastewater-dispute/>

³⁷ https://oclafco.org/wp-content/uploads/2024/01/OCLAFCO_Southwest_MSR_-_Final_8.28.23.pdf

Emerging Opportunities in South County Water/Wastewater Systems

1. Permitting and regulatory support for the operation of all wastewater treatment plants in south Orange County
2. Operation of three wastewater treatment plants

The MSR also noted the SOCWA's JPA agreement previously included ten agencies but had recently been reduced to seven voting members including the El Toro Water District (ETWD), MNWD, SCWD, EBSD, the City of Laguna Beach, SMWD, and the City of San Clemente. As of July 1, 2023, the following three agencies were no longer members of SOCWA: Irvine Ranch Water District (IRWD), Trabuco Canyon Water District (TCWD), and SJC. San Juan Capistrano's wastewater services and infrastructure were assumed by SMWD through an annexation to the district in 2021 and TCWD and IRWD had arranged for former SOCWA services to be provided through other means.³⁸

The MSR stated SOCWA staff were aware of the evolving issues regarding SOCWA's management, purpose, and structure, and had hired a facilitator at the request of SCWD to assist in moving the discussion forward. Additionally, SOCWA staff noted that the agencies have full authority to make any changes they desire to the JPA agreement, provided they get the appropriate majority.

The MSR further noted within SOCWA there are numerous shared facilities for wastewater collection and treatment. These are managed by SOCWA through separate project agreements or committees among various member agencies. Many of these agreements predate SOCWA and are due to expire in 2030. MNWD had expressed strong interest in assuming the operational responsibility of one of SOCWA's regional facilities, the Regional Treatment Plant. In its justification, MNWD saw a potential benefit if several of SOCWA's assets were operated by each member agency. In their view, which was shared by SMWD, SOCWA is not structured to meet the wastewater service needs of some member agencies and should focus on providing enhanced permitting and regulatory compliance support for the SOCWA member agencies.

The MSR found that SCWD had expressed a strong interest in preserving the existing structure of SOCWA while also expressing openness to evaluating the agreements for efficiency and improvement. The other agencies reviewed in the MSR did not express similar interest in a reexamination of the SOCWA arrangements, nor did they share any complaints or concerns about SOCWA's service level. While they did not express a desire to advance these ideas during the MSR process, they stressed their openness to reevaluating the project agreements as they approach their respective expiration dates. After the MSR, SOCWA members conducted facilitator directed meetings to address member concerns.

At the Board of Directors meeting on March 7, 2024, SOCWA presented a \$20 million buyout proposal to transition the Regional Treatment Plant to MNWD and other

³⁸ *Ibid*

considerations to facilitate MNWD's withdrawal from SOCWA.³⁹ The proposed agreement will become effective on June 30, 2024, and is contingent on several conditions including the required unanimous vote of all SOCWA members to authorize MNWD's withdrawal from SOCWA.⁴⁰

On May 1, 2024, a special meeting was held to address the March 7, 2024, proposal to transition the Regional Treatment Plant to MNWD and to facilitate MNWD's withdrawal from SOCWA. There was unanimous approval of the proposal in principle with members set to return to their respective boards for official approval by June 1, 2024.

The steps ahead are to continue negotiations and require MNWD to provide its official response. If consensus is reached, then terms and conditions would be laid out to adopt the necessary amendments to various JPA agreements and Project Committee agreements. MNWD would need to develop and adopt an agreement with SCWD, EBSD, City of Laguna Beach, and ETWD for handling solid waste. Treatment, conveyance, and outfall agreements would need to be developed and adopted between SOCWA and MNWD.

Lastly, upon MNWD's withdrawal from SOCWA, and after the buyout payment, the transfer of the Regional Treatment Plant and its operation to MNWD would be complete.

Summation

The history of SOCWA shows the divergent approaches of its member agencies. While some agencies embraced long-range regional collaboration, it could be argued that smaller districts with overweighted voting authority hindered them. Past litigation among JPA members has created a legacy of distrust, and Balkanized decision-making among its governing directors. Water officials interviewed by the OCGJ clearly indicated tension among rival SOCWA members. It appears some members are entrenched in transactional approaches aimed solely at addressing ownership, operation, and modernization of treatment plants within their own boundaries.

Water and wastewater agencies, like SOCWA, have worked together through legal agreements in the past. However, SOCWA's collaborative efforts have not always been successful which may be reflective of its JPA governing structure.⁴¹ Over time, changes in local support, leadership, and financial pressures have led member agencies to reconsider their involvement in the JPA.

³⁹ https://www.socwa.com/event/board-of-directors-meeting-3-7-2024/?instance_id=716

⁴⁰ <https://www.socwa.com/wp-content/uploads/2023/12/7f-2024-03-06-SOCWA-Proposal-to-Transition-RTP-to-MNWD.pdf>

⁴¹ Trish Cypher and Colin Grinnell, "Governments Working Together: Citizen's Guide to JPAs" (California State Legislature, 2007).

It was evident from the SOCWA special meeting of May 1, 2024, that leaving a JPA can be complicated.⁴² SOCWA started with 10 members but is now down to 7, and negotiations are ongoing for yet another member to leave. Now, SOCWA needs new agreements to govern its operations going forward. This leaves uncertainty about SOCWA's future beyond the expiration of its original contracts in 2030. However, with California's ocean discharge regulations being so extensive, JPA members have expressed support for SOCWA to continue in some form to handle permitting as well as other regulatory support functions within its purview.

THE PATH FORWARD

Water System - Consolidations

Consolidating, restructuring, or merging agencies is a function of assessing the costs and benefits regarding safety, security,⁴³ reliability, financial and operational efficiencies, and economies of scale, versus the attraction of local control. A thorough assessment of this "balancing act" will benefit future generations of Orange County residents.

South Orange County is served by ten water providers in jurisdictions ranging in size from 540 customers in EBSD to 116,000 customers in IRWD (Appendices 1 and 2). To advance consolidations, over the past decade the State of California has developed financial incentives for larger water systems to absorb small systems, introduced new authorities to mandate consolidation under specific circumstances, and invested significantly in technical assistance resulting in over 200 completed projects throughout the State with more underway.⁴⁴ Interviews identified the benefit of having a single entity to discuss the optimal management/structure of water, wastewater, and reuse operations with a common vision for the future of Southern Orange County.

In recent years, water districts have experienced the benefits of consolidation with one another, as evidenced by IRWD. It has successfully acquired five other agencies over the past twenty-seven years, including the Santa Ana Heights Mutual Water Company in 1997, Carpenter Irrigation District in 2000, Los Alisos Water District in 2001, Santiago County Water District in 2006, and the Orange Park Acres Mutual Water Company in 2008.⁴⁵

Irvine Ranch Water District's process involves a selective approach, emphasizing efficiencies and mutual benefits. It begins with a consolidation request to IRWD from the prospective water agency, followed by mutual agreement on terms, and then an application to LAFCO for their evaluation. Irvine Ranch Water District has a proven track

⁴² <https://www.socwa.com/wp-content/uploads/2023/12/7f-2024-03-06-SOCWA-Proposal-to-Transition-RTP-to-MNWD.pdf>

⁴³ [EPA warns of increasing cyberattacks on water systems | AP News](#)

⁴⁴ [Luskin Center for Innovation, Trends in California Water Systems Consolidation \(December 2023\) Policy-Brief-Trends-in-California-Water-Systems-Consolidation.pdf \(ucla.edu\)](#)

⁴⁵ [Consolidations \(irwd.com\) https://www.irwd.com/about-us/consolidations](#)

record since 1997 of having successfully unified five providers benefitting 57,000 residents with improved water reliability and standardized rates. With extensive cash reserves, IRWD is poised to maintain and enhance its water systems over the next fifty years.

It is evident that past consolidations among water agencies have yielded positive outcomes by enhancing efficiencies and fostering mutual benefits through shared expertise and resources. With the multitude of water districts and the risk of financial strain comparable to SJC, future consolidations are not just probable but beneficial. Hence, it is imperative to draw lessons from past experiences. By reviewing the issues and concerns encountered by SMWD and by adopting the strategies employed by IRWD, there is an opportunity to improve the process for future consolidations (Appendices 1 and 2).

Wastewater Systems - Collaboration

In South Orange County, collaboration among water and wastewater providers can drive positive changes for the region's future. Despite past challenges posed by differing governing boards and environmental perspectives across separate jurisdictions, officials have shown the willingness to unify and address shared concerns. The future of SOCWA involves reorganizing the structure so that it can resolve the operational issues of treatment plants. This allows major water agencies to focus on maximizing wastewater reuse and to minimize ocean discharge, with the aspirational goal of zero discharge. Collaboration among all agencies operating treatment plants is paramount, to adopt a more integrated management approach.

The Moulton Niguel Water District, one of the leading service providers, has embraced a transformative drive to water management. Since 2019, MNWD has pursued federal funds to strengthen its infrastructure against seismic and severe storm damage. In 2024 the district was awarded \$10.3 million in federal grants to strengthen and improve its wastewater infrastructure. The grant is administered by the California Office of Emergency Services and funded by the Federal Emergency Management Agency (FEMA) to replace sewer lines that move more than half of all district wastewater.⁴⁶ Advocating for funding as a region to address aging infrastructure is vital to ensure the long-term sustainability of water management efforts. By working collectively towards these goals, South Orange County can lead the way in sustainable water management practices for the benefit of current and future generations.

The Moulton Niguel Water District is also working on a reverse osmosis project called OASIS (Optimal, Adaptive, Sustainable, Integrated, Supply) to receive wastewater from homes and businesses, and treat it for potable reuse. The OASIS project emerges as a beacon of innovation and sustainability, offering not only reliable water reuse but also an opportunity for education and public engagement. By demonstrating the safety and effectiveness of direct potable reuse, South Orange County can pave the way for similar

⁴⁶ <https://www.mnwd.com/moulton-niguel-water-district-awarded-federal-grant/>

projects across California. Building partnerships with neighboring regions, environmental organizations, and governmental bodies will be crucial to securing state, federal, and private funding dedicated to advancing water reuse in South Orange County, with OASIS as the flagship project, being a top priority.

Another transformative advancement is the Doheny Ocean Desalination Project, planned by the South Coast Water District as part of the Joint Regional Water Supply System. This project would create a new, local, drought-proof water supply that would provide emergency water supplies.⁴⁷ Benefits would provide a water source at a reasonable cost, up to 5 million gallons per day of drinking water and the potential for long-term regional benefits. The proposed facility would be located near Doheny State Beach in the City of Dana Point and is planned to be on-line in 2028.

Looking ahead, the integration of treatment plant operations and the advancement of technologies like direct potable use and desalination are key focal points. As such, the OCGJ recommends LAFCO form a task force comprising representatives of affected water districts to study the transformation of SOCWA and prepare a report identifying the optimal future of water and wastewater systems in South Orange County.

In an era of emerging opportunities, a comprehensive regional plan developed in conjunction with all stakeholders is needed for guiding future projects and addressing evolving needs. As the task force facilitator, LAFCO can also play a pivotal role in studying future consolidations and a unified regional approach to water and wastewater management and service delivery. By planning and working together, South Orange County is poised to lead the way in securing a better future for generations to come.

COMMENDATIONS

Irvine Ranch Water District (IRWD) - The Irvine Ranch Water District successfully acquired 5 water providers serving 57,000 residents since 1999. These consolidations provide reliable water supply at equitable rates, which are mutually beneficial to all customers.

City of San Clemente – Based on interviews and a comprehensive site visit, the OCGJ found the City of San Clemente does an excellent job in maintaining and operating its water and wastewater utility systems. This integrated system augments the City's local recycled water sources and is beneficial in reusing urban runoff and reducing biosolids.

⁴⁷ [South Coast Water District, CA \(scwd.org\)](https://www.scwd.org)

FINDINGS

In accordance with California Penal Code Sections 933 and 933.05, the 2023-2024 Grand Jury requires responses from each agency affected by the findings presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation described here, the 2023-2024 OCGJ has arrived at the following principal findings:

- F1. San Juan Capistrano's deferred maintenance of the water/wastewater utility resulted in the need to transition the facility to a larger water provider to allow more efficient management and maintenance of the infrastructure.
- F2. The SMWD proposed rate increase severely impacted San Juan Capistrano's non-residential customers and led to protests of unfairness and negative attention from the local media.
- F3. SOCWA's member agencies have widely diverse populations, requirements, and revenues. This has led to conflicts over governance, facility operation, and control, affecting the evolving potential for wastewater reuse.
- F4. There is currently no unified strategy for the future of water/wastewater provision in South Orange County

RECOMMENDATIONS

In accordance with California Penal Code Sections 933 and 933.05, the 2023–2024 Grand Jury requires responses from each agency affected by the recommendations presented in this section. The responses are to be submitted to the Presiding Judge of the Superior Court.

Based on its investigation titled “Emerging Opportunities in South County Water/Wastewater Systems,” the 2023-2024 OCGJ makes the following two recommendations:

- R1. The OCGJ recommends that by January 1, 2025, LAFCO studies a policy of conducting a post-consolidation agency review to be held within 24 months of agency reorganizations to determine their overall impact on the public. (F1, F2)
- R2. The OCGJ recommends that by January 1, 2025, LAFCO form a task force comprising representatives of affected water agencies to study the transformation of SOCWA and prepare a report on the future of water/wastewater in South Orange County. (F3, F4)

RESPONSES

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made no later than 90 days after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected county official shall comment on the findings and recommendations pertaining to the matters under that elected official's control within 60 days to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

- (a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:
 - (1) The respondent agrees with the finding.
 - (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.
- (b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:
 - (1) The recommendation has been implemented, with a summary regarding the implemented action.
 - (2) The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
 - (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the Grand Jury report.
 - (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation, thereof.

- (c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary or personnel matters over which it has some decision-making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

Responses Required

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code Section 933.05 are required from:

Findings – 90 Day Response Required

City of Laguna Beach	F3, F4
City of San Clemente	F3, F4
City of San Juan Capistrano	F1, F2
El Toro Water District	F3, F4
Emerald Bay Service District	F3, F4
Irvine Ranch Water District	F4
Laguna Beach County Water District	F4
Moulton Niguel Water District	F3, F4
Santa Margarita Water District	F1, F2, F3, F4
SOCWA Board of Directors	F3, F4
South Coast Water District	F3, F4
Trabuco Canyon Water District	F4

Recommendations – 90 Day Response Required

Orange County LAFCO Board of Commissioners	R1, R2
City of Laguna Beach	R2
City of San Clemente	R2

Emerging Opportunities in South County Water/Wastewater Systems

El Toro Water District	R2
Emerald Bay Service District	R2
Irvine Ranch Water District	R2
Laguna Beach County Water	R2
Moulton Niguel Water District	R2
Santa Margarita Water District	R2
SOCWA Board of Directors	R2
South Coast Water District	R2
Trabuco Canyon Water District	R2

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GLOSSARY

Acre-foot - A unit of measure used to calculate volumes of water. One acre-foot equals the volume of water that would cover an acre of land at a depth of one foot.

AWWA - American Water Works Association is a non-profit organization. Its mission is to improve water quality and supply.

Desalination - A process that removes salt and other minerals from water.

ISDOC - Independent Special Districts of Orange County is an association that advocates for Orange County’s independent special districts.

JPA - Joint Powers Authority is a membership between two or more public agencies to jointly exercise common powers.

LAFCO - Local Agency Formation Commission is a countywide commission, required in each California county. LAFCO’s powers include approving, establishing, expanding, reorganizing, and, in limited circumstances, dissolving cities and special districts.

MSR - Municipal Service Review is a comprehensive analysis conducted by LAFCO to assess the performance of municipal services within a specific geographic area.

NPDES - National Pollutant Discharge Elimination System

OASIS - A initiative for advanced integrated water management started by MNWD. (Optimal, Adaptive, Sustainable, Integrated, Supply)

OCSAN - Orange County Sanitation District provides wastewater collection, treatment, and recycling North and Central Orange County.

Potable Water - Water that is suitable for human consumption.

Recycled Water - Wasterwater that has been treated (filtered and disinfected). It is used as irrigation for golf courses and parks.

Special District - A local government entity that was created to provide a specific public service. Examples are water service, cemeteries and fire protection.

SOCWA - South Orange County Wastewater Authority is a Joint Powers Authority with seven member agencies, consisting of local retail water agencies and cities that provide

Emerging Opportunities in South County Water/Wastewater Systems

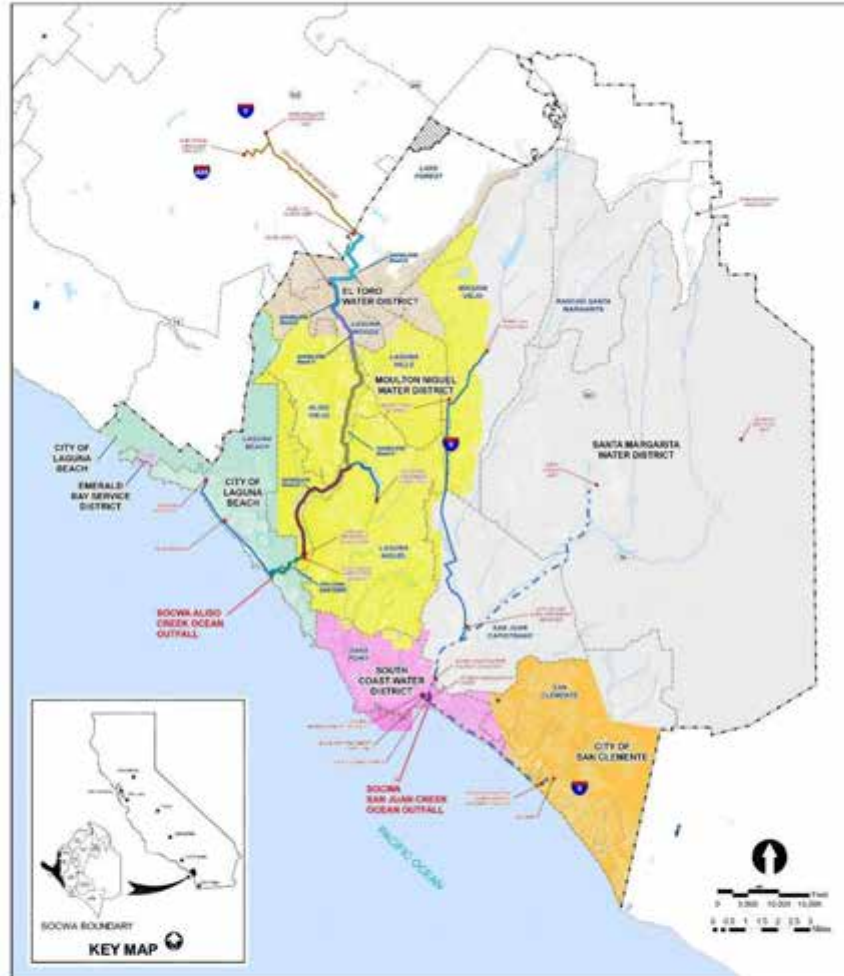
water to their residents. SOCWA manages the collection, transmission, treatment, and disposal of wastewater across South Orange County.

WACO - Water Advisory Committee of Orange County

APPENDICES

APPENDIX 1

South Orange County Water Resource Agencies



APPENDIX 2

South Orange County Water Resource Agencies Summary Data

Location	Type	Established	Services	SOCWA Member	Water Lines (Miles)	Sewer Lines (Miles)	Sewage Treatment Plants	Residents Served	Service Connections	Area (sq. mi.)	# Employees	Board / Council Members
Emerald Bay Service District (EBSD) *	Community Services District	1961	Water & Sewer	Yes	6	6	0	2,000	540	1	1	5
Trabuco Canyon Water District (TCWD)	Special District	1961	Water & Sewer	No	66	45	1	14,000	4,200	13	21	5
City of Laguna Beach	Municipal Utility	1927	Sewer	Yes	n/a	95	0	23,000	8,000	9	14	5
Laguna Beach County Water District (LBCWD)	Dependent Special District**	1925	Water	n/a	135	n/a	n/a	25,000	8,450	9	40	5
South Coast Water District (SCWD)	Special District	1932	Water & Sewer	Yes	158	136	0	39,000	12,600	8	85	5
El Toro Water District (ETWD)	Special District	1960	Water & Sewer	Yes	170	158	1	51,000	10,000	9	61	5
City of San Clemente	Municipal Utility	1928	Water & Sewer	Yes	230	162	1	64,000	17,800	19	45	5
Moulton Niguel Water District (MNWD)	Special District	1960	Water & Sewer	Yes	656	500	1	170,000	55,000	37	163	7
Santa Margarita Water District (SMWD)	Special District	1964	Water & Sewer	Yes	1,080	665	3	200,000	65,000	111	200	5
South Orange County Totals				7	2,501	1,767	7	588,000	181,590	216	630	47
Irvine Ranch Water District (IRWD)	Special District	1961	Water & Sewer	No	1,976	1,374	2	465,000	122,000	181	337	5
South Orange County Wastewater Authority	Joint Powers Authority	2001	Sewage Treatment	n/a	n/a	51	3	600,000	n/a	n/a	64	7***

Notes

Data obtained from agency websites and interviews.

South Orange County imports approximately 90% of Water from Metropolitan Water District of Southern California

TCWD operates the only potable water treatment facility in South Orange County

IRWD Listed Separately as Majority of Customers in Central Orange County

SOCWA operates the two ocean outfalls: Aliso Creek and San Juan Creek

* Water system operated and maintained by LBCWD

** LBCWD is a Subsidiary (Dependent) District of the City whose Council serves as the Board.

*** 7 Appointed by Member Agencies

APPENDIX 3

South Orange County Water Districts/Providers

El Toro Water District (ETWD) - Provides water and wastewater service in the cities of Laguna Hills, Laguna Woods, Lake Forest, Aliso Viejo, and Mission Viejo.

Emerald Bay Service District (EBSD) - Provides fresh water supply under contract with the Laguna Beach County Water District. Collects wastewater and transmits to Laguna Beach.

Irvine Ranch Water District (IRWD) - Serves Central Orange County, including the following cities: Irvine, Newport Beach, Tustin, Orange, Lake Forest, and Costa Mesa.

Laguna Beach County Water District (LBCWD) - Provides water service to portions of the city of Laguna Beach, a portion of Crystal Cove State Park, and the unincorporated community of Emerald Bay.

City of Laguna Beach - Provides wastewater collection and/or transmission services to the city of Laguna Beach, a portion of Crystal Cove State Park, and the unincorporated community of Emerald Bay.

Moulton Niguel Water District (MNWD) - Provides water and wastewater services to customers in Laguna Niguel, Aliso Viejo, Mission Viejo, Laguna Hills, and Dana Point.

Municipal Water District of Orange County (MWDOC) is a wholesale water provider. It purchases imported water through the Metropolitan Water District of Southern California (MET) and delivers this water to its 27 member agencies, who in turn, provide retail water services to the public. It is the only agency with members from all water providers in South Orange County.

Orange County Water District (OCWD) - Manages the ground water supply for Orange County. It is a wholesale agency.

City of San Clemente - Provides water/wastewater services to the residents of San Clemente

Santa Margarita Water District (SMWD) - Serves the cities of Mission Viejo, San Juan Capistrano, Rancho Santa Margarita, and the communities of Coto de Caza, Las Flores, Ladera Ranch, Rancho Mission Viejo, and Talega in San Clemente.

South Coast Water District (SCWD) - Serves the communities of Dana Point, South Laguna Beach, and areas of San Clemente and San Juan Capistrano.

Trabuco Canyon Water District (TCWD) - Serves the Communities of Trabuco Canyon, Robinson Ranch, Trabuco Highlands, Walden, Rancho Cielo, Portola Hills, Santiago Canyon Estates, and Dove Canyon.

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