



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
SEPTEMBER 19, 2019**

Call to Order

The San Luis Obispo Local Agency Formation Commission (LAFCO) meeting was called to order at 9:02 a.m. on Thursday, September 19, 2019, in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairperson Lynn Compton.

Pledge of Allegiance

Roll Call

Present: Chairperson Lynn Compton, Commissioners Debbie Arnold, Robert Enns, Roberta Fonzi, Ed Waage, Alternate Commissioners Ed Eby and Heather Jensen.

Absent: Commissioners Tom Murray, Marshall Ochylski, Alternate Commissioners, Steve Gregory, and John Peschong.

Staff: David Church, LAFCO Executive Officer
Mike Prater, LAFCO Deputy Executive Officer
Brian Pierik, LAFCO Legal Counsel
Imelda Marquez, LAFCO Commission Clerk

Approval of Minutes

Chairperson Compton opens the floor to public comment. Further, asks Commissioners if they have any changes to the minutes. No changes were suggested.

Commissioner Arnold moved approval of the Minutes for August 15, 2019.

Commissioner Fonzi seconded the motion.

The motion was passed.

AYES: Commissioners Arnold, Fonzi, Enns, Waage, Jensen, and Chairperson Compton

NAYS: None

ABSTAINING: Commissioner Eby

Non-Agenda Public Comments

Chairperson Compton opened the floor to public comment.

Greg Grewal spoke about the quiet title action taken in the Superior Court in Santa Clara.

Consent Agenda

A-1: Special District Risk Management Association (SDRMA) Underwriter Approval for Health Benefits Program for SLOLAFCO (Recommend Approval)

Chairperson Compton opens the floor to public comment.

Public Comment: None

Commissioner Arnold motioned to approve SDRMA Health Benefits Program.

Commissioner Fonzi seconded the motion.

AYES: Commissioners Arnold, Fonzi, Enns, Waage, Jensen, Eby, and Chairperson Compton

NAYS: None

ABSTAINING: None

The motion passed with a unanimous roll call vote.

Regular Matters

B-1: File # 1-R-19: Detachment #1 from the Shandon San Juan Water District-Morrison/Kuhnle (Recommend Conditional Approval)

Mr. Church presents the item, recommending for approval.

Chairperson Compton opens the floor to public comment.

Public Comment

Matt Turrentine, PO Box 12958, San Luis Obispo, CA 93401. Mr. Turrentine is a Director for the Shandon-San Juan Water District (SSJWD) and he expressed concern with the SGMA process.

Steve Sinton, is a Director of the SSJWD. Mr. Sinton confirmed what Mr. Turrentine previously stated and requested for better communication between all parties involved for future detachments.

Greg Grewal, indicated his support in approving the detachment.

Stephen Miller, is a farmer and landowner representing his family farm, West Bay LLC. Mr. Miller indicated his objection for the proposed detachment.

Dana Merrill, Paso Robles, is the president of the EPC Water District and a North County

Farmer. He requested a 10 day notice for future detachments, if needed, and updated the Commission on EPC Water District's systematic approach on polices.

Cody Ferguson, PO Box 1168 Paso Robles, CA 93447. Mr. Ferguson demonstrated his support for staff recommendation on SSJWD detachment.

Sophie Treder, representing the Applicant, addressed comments and questions brought up by previous public members and conveyed her support of the Staff recommendation.

Public Comment Closed

Commissioner Waage requested clarification on concerns related to fees; **Mr. Church** responded by clarifying that LAFCO does not have any involvement in establishing or enforcing fees in this item.

Mr. Church also clarified the two mile issue; indicating that the two mile rule applied in formation.

Commissioner Fonzi asked about the Department of Water Resources (DWR) reviewing the case.

Mr. Church responded by indicating that LAFCO does not send it to DWR for review and explained the process of transferring to the County as a Groundwater Sustainability Agency.

Commissioner Fonzi asked legal staff for confirmation that DWR does not have jurisdiction over LAFCO decision.

Mr. Pierik confirmed that LAFCO had the authority to make the decision that was presented.

Commissioner Eby had questions on whether the submitted letters had been addressed.

Mr. Church clarified by mentioning that the Staff Report addressed the letters.

Commissioner Arnold moved to motion for Staff's Recommendation.

Commissioner Waage seconded the motion.

AYES: Commissioners Arnold, Waage, Enns, Fonzi, Jensen, Eby and Chairperson Compton

NAYS: None

ABSTAINING: None

The motion passed with a unanimous roll call vote.

B-2: Continued from August 15, 2019: Consideration of the Sphere of Influence, Municipal Service Review Update and Memorandum of Agreement for the City of Pismo Beach (Recommend Conditional Approval)

Mr. Church introduces the item.

Mr. Prater presents the item, recommending the item be approved.

Chairperson Compton opens the floor to public comment, without any.

Commissioner Waage motioned to approve the item.

Commissioner Fonzi seconded the motion.

AYES: Commissioners Waage, Fonzi, Arnold, Enns, Jensen, Eby and Chairperson Compton

NAYS: None

ABSTAINING: None

The motion passed with a unanimous roll call vote.

Informational Matters

C-1: Update Regarding Senate Bill 1215 Provision of sewer service to disadvantaged communities-CALAFCO Legislative Update (Recommend Receive and File)

Mr. Church presented the item, recommending Commissioners to receive and file.

Commissioner Fonzi showed interest and mentioned that this issue does affect some agencies in SLO County.

Commissioner Waage asked how LAFCO would respond to the Bill.

Mr. Church indicated that they would have to consult with LAFCO regarding sewer services and it would be brought to the Commissions attention.

Commissioner Eby had an observation on how districts could provide sewer services to a disadvantaged community when it doesn't provide sewer services to all of its own community.

Mr. Church responded to Commissioner Eby's comment, by agreeing it was a problem.

Chairperson Compton closed discussion with no public comments.

C-2: CALAFCO Proposed Dues Increase-Considered at Annual Business Meeting (Recommend Receive and Discuss)

Mr. Church presented the item and recommended for a discussion. He indicated that Commissioner Murray would be voting on this item at the CALAFCO Conference.

Commissioner Waage commented by saying he would be in favor of the proposed increase in dues.

Commissioner Enns asked for clarification on information provided on the Staff Report.

Chairperson Compton stated that the report was received and filed, with no public comments.

C-3: Study Session: Affordable Housing Opportunities Sites-State of California (Recommend Receive and File)

Mr. Church presented the item and recommended Commissioners to receive and file.

Commissioner Fonzi explained that she brought this item to **Mr. Church's** attention, due to the City of Atascadero's involvement in the issue.

Commissioner Jensen had a question on the attainment of affected property.

Mr. Church addressed the question.

Commissioner Waage asked for clarification on local jurisdiction of the property and how it would affect services.

Commissioner Fonzi stated the importance of this issue and the impact it has on local agencies.

Chairperson Compton reported to receive and file the item with no public comment.

C-4: Study Session: Water Reclamation Facility Sphere of Influence Amendment and Annexation for the City of Morro Bay (Recommend Receive and File)

Mr. Church presented the item.

Eric Casares, the Morro Bay Water Reclamation Facility (WRF) Manager, followed with another presentation.

Commissioner Arnold asked about the 2 to 1 ratio on Ag land and whether it was a Costal Commission requirement. As well as how they would achieve the 2 to 1 offset.

Eric Casares and management team mentioned that they haven't worked that out yet and addressed how they would approach the situation.

Commissioner Eby asked for an explanation on the parcel mentioned in the Staff Report.

Mr. Church discussed what the referenced parcel was.

Commissioner Fonzi commented on the shape of the parcel and the difficulty it would bring with serving part of it.

Commissioner Waage mentioned whether part of the parcel was meant to be a buffer.

Mr. Church responded by saying that buffers are normally addressed in the CEQA process and that the application is submitted to the Agriculture Commissioners office for comment.

Chairperson Compton opened the floor to public comments.

Public Comment

John Maino, Ranch land owner adjacent to proposed WRF. Mr. Maino expressed opposition

due to the projects impact on his property value and possible future growth in the area.

Jeff Heller, 271 Palm Ave, Morro Bay, CA 93442. Mr. Heller is the newly elected City Council Member; he conveyed opposition to the project.

Public Comment Closed

Commissioner Arnold asked if LAFCO has the authority to condition the project.

Mr. Church confirmed.

Commissioner Jensen commented on the negative effects that the WRF project will have on the area.

Mr. Church mentioned that LAFCO does not have the authority to do site selection. Mr. Church added that all sites for WRF projects have impacts.

Commissioner Enns asked if the Mayor of the city or Scott Collins wanted to speak.

John Heading, Mayor of Morro Bay, spoke on behalf of the extensive site selection process. Mr. Heading asked for LAFCO support to approve the future annexation and followed with addressing **Mr. Maino's** concerns.

Commissioner Enns pointed out a few concerns with the Staff Report and the project itself.

Commissioner Arnold wanted clarification on whether the project needed LAFCO's approval in order to begin construction.

Mr. Church responded by confirming that LAFCO approval is not needed, for the City to begin construction.

Commissioner Fonzi requested for more information on the topic.

Chairperson Compton reported to receive and file the item.

Commissioner Comments: None

Legal Counsel Comments: None

Executive Officer Comments: Mr. Church welcomed Imelda Marquez to LAFCO.

Adjournment: With no further business before the Commission, the meeting adjourned at 10:42 a.m. until the next meeting of the Commission in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

THESE MINUTES ARE NOT OFFICIAL NOR ARE THEY A PERMANENT PART OF THE RECORD UNTIL THEY ARE APPROVED BY LAFCO COMMISSIONERS AT THE NEXT REGULAR MEETING.

Respectfully submitted,
Imelda Marquez, LAFCO Commission Clerk