



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
MEETING MINUTES FOR
AUGUST 21, 2014**

Call to Order:

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:00 a.m. on Thursday, August 21, 2014 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairperson Roberta Fonzi.

Pledge of Allegiance: Led by Bruce Gibson

Roll Call:

Present: Chairperson Roberta Fonzi, Vice Chairman Tom Murray, Commissioners Muril Clift, Bruce Gibson, Frank Mecham, Duane Picanco, and Alternate Commissioners David Brooks, Robert Enns, and Kris Vardas

Absent: Commissioner Marshall Ochylski and Alternate Commissioner Adam Hill

Staff: David Church, LAFCO Executive Officer, Raymond A. Biering, LAFCO Legal Counsel, Mike Prater, LAFCO Analyst, Donna J. Bloyd, LAFCO Commission Clerk

Approval of Minutes: Commissioner Mecham moved that the Minutes of June 19, 2014 be approved with no changes or corrections. Commissioner Clift seconded the motion. The Minutes were approved with a unanimous roll call vote.

Non-Agenda Public Comments: Eric Greening, 7365 Valle Avenue, Atascadero, CA 93422. Mr. Greening spoke about the LAFCO procedures and suggested that a study session informing the public about various processes and for appealing a LAFCO decision.

Consent Agenda:

Item A-1: Year-end Budget for Fiscal Year 2013-14

Public Comment: None

Commissioner Gibson moved to approve the Consent Agenda and submit the year-end Budget Report to the SLO County Auditors office.

Commissioner Picanco seconded the motion.

AYES: Commissioners Gibson, Picanco, Clift, Enns, Mecham, Vice Chairman Murray, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Regular Matters:

Item B-1: LAFCO File No. 1-R-14, (The Heights) Annexation No. 31 to the City of Arroyo Grande and the South San Luis Obispo County Sanitation District, Detachment from County Service Area 21

LAFCO Executive Officer, David Church, presented this item. LAFCO Analyst Mike Prater provided a PowerPoint presentation and summarized the maps showing the location of the proposal area.

Mr. Church reviewed the proposal stating that the project had been reviewed and approved by the County of San Luis Obispo and that there was a certified EIR and an Addendum to the EIR.

Mr. Church added that the City of Arroyo Grande approved the General Plan Amendment, Mitigated Negative Declaration, Pre-zoning and Annexation.

Mr. Church discussed the water supply and demand for the project, stating that the City had required a 2:1 offset plus retro fitting water projects. He noted that the Plan for Services (Exhibit A to the Staff Report) documented the City's efforts in regard to the water issues.

Mr. Church also stated that LAFCO had created Conditions of Approval that were placed on the City's Sphere of Influence when it was approved in November 2012. He added that The Heights proposal shall comply with the conditions.

Mr. Church discussed the City's water supply analysis stating that it is adequate, reliable and sustainable and deliverable to serve the areas proposed for annexation.

In summary, Mr. Church stated that the City and County have completed the planning process including CEQA for the proposal; the annexation allows the City to provide services to the area; the City carefully manages its water resources and requires offsets to serve the annexation; and efficient provision of services are encouraged.

Commissioner Bruce Gibson had several questions regarding the City's water supply and demands upon the supply. Other Commissioners had questions regarding the open Space easement and lot size.

Ms. Teresa McClish, Mr. Jason Blankenship and LAFCO Staff responded to their questions

Ms. Teresa McClish, Community Development Director, City of Arroyo Grande. Ms. McClish summarized, in some detail, the City's water supply and demand, the offsets, and the sources of water for the proposal area.

Mr. Jason Blankenship, Developer of The Heights at Vista Del Mar. Mr. Blankenship addressed questions the Commissioners had regarding the proposal.

Public Comment: None

Vice-Chairman Murray moved to conditionally approve, by resolution, the reorganization including the following actions: Annexation No. 31 to the City of Arroyo Grande and the South San Luis Obispo County Sanitation District and the detachment from County Service Area 21; add to Condition B: Prior to LAFCO filing the Certificate of Completion with the State Board of Equalization, a perpetual open space easement shall be reviewed and approved by the LAFCO Executive Officer and Legal Counsel prior to it being recorded on the property as called for in the conditions of approval for Tract 3048 Condition 35; Add to Condition C: Prior to LAFCO filing the Certificate of Completion with the Clerk Recorders Office, a map and legal description shall be submitted to LAFCO indicating that the South San Luis Obispo County Sanitation District is annexing this area and that the annexation also includes the small parcel to the southeast of the major parcel.

Commissioner Gibson seconded the motion.

AYES: Vice-Chairman Murray, Commissioner Gibson, Commissioner Clift, Commissioner Enns, Commissioner Mecham, Commissioner Picanco, Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Item B-2: Coastal Special Districts - Sphere of Influence Review Update (Continued from June 19, 2014)

Mr. Church presented this item. Mr. Prater provided a PowerPoint presentation.

Mr. Church stated that this item had been continued from June 2014 because the Commissioners had directed revisions to clarify the severity of the water picture for the Coastal CSDs. Additional discussions have been included in the Sphere of Influence / Municipal Services Review Update (SOI/MSR) to address the water concerns for each of the agencies.

Mr. John Wallace, Wallace Group, District Engineer for the Avila Beach CSD. Mr. Wallace spoke on behalf of the CSD stating that the CSD had plans for possible consolidation of services with CSA 12 in case the private service provider becomes unable to continue to provide services. He added that the CSD is currently undergoing upgrades to its infrastructure systems for both water and wastewater as well as interties with the private provider.

In regard to the San Simeon CSD, Mr. Church requested that the language requesting the submittal of an application to activate the street lighting power be deleted. He stated that the list of active powers would be amended to include road maintenance, water, sewer, and street lighting.

In reference to the Cambria CSD, Mr. Church provided a map of the service area of the CSD and discussed services to the area, stating that the CSD was able to provide services to only portions of the area.

Public Comment: None

Commissioner Picanco moved to adopt the Notice of Exemption (Attachment A of the Staff Report) for compliance with CEQA and approve by resolution the Sphere of Influence Update and Municipal Services Review with changes recommended in Attachment D of the Staff Report. The resolution shall incorporate by reference written determinations related to the seven factors stated in the Cortese-Knox-Hertzberg Act and found in the Service Reviews.

Commissioner Clift seconded the motion.

AYES: Commissioners Picanco, Clift, Enns, Gibson, Mecham, Vice-Chairman Murray, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Informational Matters:

Item C-1: CALAFCO Quarterly Report - Annual Conference - Legislative Update

Mr. Church presented this item. Mr. Prater provided a PowerPoint presentation.

Mr. Church spoke about the upcoming CALAFCO Annual Conference which will be held October 15-17, 2014 at the Doubletree Ontario. He asked the Commissioners to let LAFCO Staff know if they would like to attend the conference.

Mr. Church stated that the nomination period for the CALAFCO Board of Directors is open through September 15, 2014. There are two seats up for election for District and County members, the incumbents are running for reelection, however, if LAFCO a Commissioner would like to run, he should notify LAFCO Staff.

Mr. Church discussed AB 2762 - CKH Omnibus Bill; SB 614 - Wolk; AB 2453 - Achadjian; and AB 1739/SB 1168 - Pavley/Dickinson.

Public Comment: None

Commissioner Picanco moved to receive and file the CALAFCO Quarterly Report and the Legislative Update.

Vice-Chairman Murray seconded the motion.

The motion carried unanimous voice vote.

Commissioner Comments: None

Legal Counsel Comments: None

Executive Officer Comments: None

Adjournment: With no further business before the Commission, the meeting adjourned at 10:34 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,
Donna J. Bloyd, LAFCO Commission Clerk