



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
MEETING MINUTES FOR
APRIL 19 2018**

Call to Order:

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:01 a.m. on Thursday, April 19, 2018 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairman Ed Waage.

Pledge of Allegiance: Led by Chairman Waage

Roll Call:

Present: Chairman Ed Waage, Vice-Chair Lynn Compton, Commissioners Debbie Arnold Robert Enns, Roberta Fonzi, Tom Murray, Marshall Ochylski and Alternate Commissioners Ed Eby and Heather Jensen

Absent: Alternate Commissioners Adam Hill and Jamie Irons

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

Approval of Minutes: **Commissioner Fonzi** moved approval of the Minutes for March 15, 2018 with no changes or corrections. **Commissioner Arnold** seconded the motion.

The motion was approved by a unanimous voice vote.

Non-Agenda Public Comments: None

Consent Agenda:

A-1: Third Quarter Budget Report - Fiscal Year 2017-2018

Public Comment: None

Commissioner Arnold moved to direct the Executive Officer to file this third quarter financial report for fiscal year 2017-2018 with the San Luis Obispo County Auditor.

The motion was seconded by **Commissioner Fonzi**.

AYES: Commissioners Arnold, Fonzi, Vice-Chair Compton, Commissioners, Enns, Murray, Ochylski, and Chairman Waage

NAYS: None

ABSTAINING: None

The motion was approved by a unanimous roll call vote.

A-2: Contract Amendment - San Luis Obispo LAFCO Executive Officer

On the advice of **LAFCO Legal Counsel, Ray Biering, LAFCO Chairman Ed Waage** pulled Consent Agenda Item A-2, Contract Amendment, San Luis Obispo LAFCO Executive Officer for separate discussion. Mr. Biering indicated that State law required an oral presentation of this item. Chairman Waage concurred.

Mr. Biering confirmed that the changes to the Executive Officer's contract were to provide the current CPI plus a 1% merit increase and that the Executive Officer's salary would now be \$148,191.86 per year as stated in the Staff Report. Mr. Biering continued by saying that the Executive Officer's salary was commensurate with other LAFCO Executive Officers throughout the State. He also indicated that the other benefits would remain unchanged.

Commissioner Murray asked if the proposed budget for fiscal year 2018-2019 had been commented upon by any jurisdictions and when LAFCO would send the invoices to the various jurisdictions.

LAFCO Executive Officer, David Church, stated that LAFCO had not received comments on the proposed budget. He added that LAFCO does not send invoices to the jurisdictions, that the San Luis Obispo County Auditors office sends the invoices to the jurisdictions, in early July usually.

Public Comment: None

Commissioner Murray moved to approved the amendment to the employment contract with David Church, Executive Officer, and direct the Chair to execute it on behalf of the Commission.

Commissioner Arnold and **Vice-Chair Compton** indicated that Mr. Church was doing a very good job as the LAFCO Executive Officer and that their "no" votes would be based on their views that government employee salaries are too high.

The motion was seconded by **Commissioner Ochylski**.

AYES: Commissioners Murray, Ochylski, Enns, Fonzi and Chairman Waage

NAYS: Commissioner Arnold and Vice-Chair Compton

ABSTAINING: None

The motion was approved by five-to-two roll call vote.

Regular and Informational Matters:

B-1: Outside User Agreement: Garden Farms Community Water District and Anne Robin Property

Mr. Church introduced this item and indicated that the purpose of the Outside User Agreement (OUA) is to all the Garden Farms Community Water District (District) to provide water service to the residence of landowner Anne Robin. It would also improve water quality to the residence, stabilize the water service, and provide water resource management in the area. The agreement would allow the District to implement its “out of district” customer policy to ensure water service for this residence only.

LAFCO Senior Analyst, Mike Prater, provided a map of the District and described the location of the Robin property.

Mr. Prater also gave a brief history of Outside User Agreements and annexations in the District. He also confirmed that the OUA is limited to serving the Anne Robin property as described in Exhibits of the Staff Report and is limited to providing water only.

Mr. Prater confirmed that the amount of water for the Robin property was within the District’s ability to provide services and that a condition had been placed on the OUA that the OUA is limited to serving only the Robin property.

There were questions from the **Commissioners** regarding the decision to allow an OUA rather than recommending an annexation of the property into the District.

Mr. Church and Mr. Prater responded to the questions.

Public Comment:

Marsha Joyce, General Manager, Garden Farms Water District, 17005 Walnut Avenue, Atascadero, CA 93422. Ms. Joyce stated that the Garden Farms Community Water District was not opposed to annexation of the property into the District. The concern was annexation of properties that could be subdivided once they were annexed.

There was discussion among the **Commissioners** regarding subdivision of the parcels in the area and private wells.

Ms. Joyce responded to the questions and comments.

Anne Robin, 9230 Poplar, Avenue, Atascadero, CA 93422. Ms. Robin stated that she appreciated the conversation about protecting her water service, and that she felt confident that the District would continue to be able to provide water to her residence.

Commissioner Arnold moved to approve the Outside User Agreement for water service between the Garden Farms Community Water District and property owner Anne Robin with the condition shown in the Staff Report.

The motion was seconded by **Commissioner Ochylski**.

AYES: Commissioners Arnold, Ochylski, Vice-Chair Compton and Commissioners Enns, Fonzi, Murray, and Chairman Waage

NAYS: None

ABSTAINING: None

The motion was approved by a unanimous roll call vote.

B-2: Status Report: Sphere of Influence Update and Municipal Services Review Program Update (Information Item)

Mr. Church introduced this item and began by giving a brief progress report on the Program Update.

Mr. Prater spoke about the next jurisdictions in line for a Sphere of Influence Update and Municipal Services Review (SOI) indicating that the Cities of Pismo Beach and Atascadero would be the next to be reviewed.

Mr. Prater mentioned that letters requesting data would be sent to the staffs of both cities. He added that both cities had Memoranda of Agreement with the County of San Luis Obispo.

Mr. Prater continued by saying that following the SOI reviews for Pismo Beach and Atascadero, the next areas to be reviewed would be the Five-Cities area.

Mr. Prater presented a chart which included a timeline for SOI updates in San Luis Obispo County.

Public Comment: None

Chairman Waage stated that this item had been received and filed.

B-3: LAFCO Directory of Local Agencies (Information Only)

Mr. Church introduced this item. Mr. Prater gave a brief history of the LAFCO Directory of Local Agencies (Directory). He noted that the Directory was started in 2004 and had been updated every two years since then. The Directory contains information on every agency with which LAFCO interacts, such as Board meeting dates, population, contact information and, recently added, are water and sewer rates.

Public Comment: None

Chairman Waage stated that this item had been received and filed.

B-4: CALAFCO Legislative Update (Information Item)

Mr. Church presented this item and began by summarizing the bills that CALAFCO is sponsoring.

AB 2258: One-time grant funding for LAFCOs;

AB 3254: Annual Omnibus Bill;

AB 2491 (Cooley) reinstate the Vehicle License Fee for future city incorporations.

There were questions from the **Commissioners** regarding the bills.

Mr. Church responded to the questions.

Commissioner Arnold asked whether reinstating the VLF would raise the VLF rates.

Mr. Church responded that it would not raise fees.

Chairman Waage asked if LAFCO has a policy or procedure to provide for an expedited approval of the letter supporting or opposing legislation.

Mr. Church responded that LAFCO has a policy in place for expedited responses to requests for support from CALAFCO.

Commissioner Murray had questions about SB 1215.

Mr. Church responded to his questions and concerns.

The **Commissioners** asked Mr. Church to monitor the water bills closely.

Public Comment: None

Chairman Waage stated that this item had been received and filed.

B-5: Status Report: Fire and Emergency Services in San Luis Obispo County Follow-up

Mr. Church presented this item. He stated that this status report is an update to the March 2018 staff report. Mr. Church polled LAFCOs in the State and received responses from LAFCOs that illustrated a variety of jurisdiction sizes, such as from Butte LAFCO and San Bernardino LAFCO. The information gathered included how the other counties are managing fire services.

Chairman Waage thanked Mr. Church for his efforts and research and asked Mr. Church if CALAFCO is involved in the fire service issue.

Commissioner Arnold thanked Mr. Church for his efforts and stated that San Luis Obispo County (County) appears to be well-managed.

Commissioner Murray stated that he felt the information placed San Luis Obispo County in the middle in terms of fire service response.

The **Commission** also discussed LAFCO's role in regard to the fire services issue and agreed that LAFCO should be supportive of the County and cities in regard to service provision.

There were comments from the **Commissioners** regarding the County's fire service.

Public Comment: None

Chairman Waage stated that this item had been received and filed and that sufficient direction had been provided to staff.

B-6: San Luis Obispo LAFCO - Proposed Budget for Fiscal Year 2018-2019

Mr. Church presented this item and began by giving a nine-year history of the LAFCO budget and budget process. He gave a synopsis of the various line items, found in the proposed budget, including salaries and benefits, services and supplies, and revenues.

Public Comment: None

Commissioner Fonzi moved to approve the Fiscal Year 2018-2019 budget as proposed in Exhibit A of the staff report; direct the Executive Officer to distribute the final budget and resolution to the local agencies pursuant to the Cortese-Knox-Hertzberg Act; and submit the final budget and resolution at the May 17, 2018 LAFCO meeting.

The motion was seconded by **Commissioner Arnold**.

AYES: Commissioners Fonzi, Arnold, Vice-Chair Compton, Commissioners Enns, Murray, Ochylski, and Chairman Waage

NAYS: None

ABSTAINING: None

The motion was approved by a unanimous roll call vote.

Commissioner Comments: **Commissioner Murray** thanked LAFCO Staff for their hard work.

Legal Counsel Comments: None

Executive Officer Comments: None

Adjournment: With no further business before the Commission, the meeting adjourned at 10:36 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