



**SAN LUIS OBISPO  
LOCAL AGENCY FORMATION COMMISSION  
MEETING MINUTES FOR  
NOVEMBER 17, 2016**

**Call to Order:**

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:00 a.m. on Thursday, November 17, 2016 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairman Frank Mecham

**Pledge of Allegiance:** Led by LAFCO Commission Clerk, Donna Bloyd

**Roll Call:**

**Present:** Chairman Frank Mecham, Vice-Chairman Marshall Ochylski, Commissioners Robert Enns, Roberta Fonzi, Bruce Gibson, Tom Murray, Ed Waage and Alternate Commissioners David Brooks and Ed Eby

**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 October 20, 2016 with no changes or corrections. **Commissioner Gibson** seconded the motion.

The motion passed with a unanimous voice vote.

**Non-Agenda Public Comments:**

Willy Cunha, Shandon, CA. Mr. Cunha thanked the Commission for considering and acting upon the Shandon-San Juan Water District proposal at the October 2016 meeting. He also thanked the Commission for its work in general.

**Consent Agenda:**

Item A-1: CALAFCO Achievement Award - Most Effective Commission

**LAFCO Executive Officer, David Church**, described the CALAFCO Achievement Award for the Most Effective Commission, which the San Luis Obispo LAFCO earned at the October 2016 CALAFCO conference in Santa Barbara, CA.

**LAFCO Commission Chairman, Frank Mecham**, spoke about attending the conference and stated that he appreciated hearing how respectful LAFCO Commissioners are toward one another. Chairman Mecham noted tenor of the August 2015 LAFCO Commission meeting that took place at the Paso Robles Event Center.

**LAFCO Senior Analyst, Mike Prater**, presented each Commission with a framed copy of the award.

**Public Comment:** None

Item A-2: San Luis Obispo LAFCO Appreciation Awards - Frank Mecham and David Brooks

**Chairman Mecham** presented Alternate Commissioner David Brooks with an award in grateful appreciation for his active service to LAFCO.

**Commissioner Brooks** thanked the Commission for the award saying that it was an august body wherein opinions and dissensions were respected. He particularly thanked Commissioner Murray for taking his responsibilities as past Chairman and current Public Member Commissioner seriously.

Each member of the Commission thanked Commissioner Brooks for his excellent service to LAFCO.

**LAFCO Vice-Chairman Marshall Ochylski** presented an award to Chairman Frank Mecham for his years of outstanding service and dedication to the LAFCO Commission.

Each member of the Commission thanked Chairman Mecham for his leadership, support, his years of public service, and relationships with the Commissioners.

**Mr. Church** also thanked both Chairman Mecham and Commissioner Brooks for their distinguished service to LAFCO.

**Willy Cunha**, Shandon, CA. Mr. Cunha thanked Chairman Mecham for his support of the Shandon-San Juan Water District application and for his many years' service to the County of San Luis Obispo.

**Regular Matters:**

Item B-1: Public Member Selection

**Mr. Church** opened this item by stating that this was the appointment by the Commission of the Regular Public Member and Alternate Public Member to the Commission. He indicated that the need to select both Public Members was announced at the October Commission meeting and that announcements of the positions had been sent to all agencies and their clerks.

Mr. Church indicated that one application had been received for the regular member position and one for the alternate member position. Commissioner Murray had applied to be reappointed as the Public Member and Ms. Heather Jensen had applied for the Alternate Public Member position.

Mr. Church stated that the Public Member applicants must receive a vote from each category of

Commissioner, i.e., one vote from a County Member, a Special District member, and a City member.

There were brief presentations from both Commissioner Murray and Ms. Jensen.

Commissioners asked brief questions of Ms. Jensen and Commissioner Murray gave a synopsis of his opinion Ms. Jensen's experience.

**Commissioner Waage** moved that Commission Murray be reappointed as the LAFCO Public Member.

**Commissioner Gibson** seconded the motion.

The motion was unanimously approved with a voice vote.

**Commissioner Fonzi** moved that Heather B. Jensen be appointed as the LAFCO Alternate Public Member.

**Commissioner Waage** seconded the motion.

The motion was unanimously approved with a voice vote.

Both Commissioner Murray and Ms. Jenkins were appointed to the Commission as Public Member and Alternate Public Member, respectively.

**Public Comment:** None

**Informational Matters:**

Item C-1: County Assessor's Fee Increase and Fee Review

**Mr. Church** presented this item stating that the San Luis Obispo County Assessor's office had presented LAFCO with a fee schedule and letter stating that, effective immediately, the office would be charging fees for work on LAFCO applications.

Mr. Church told the Commission that he had surveyed the 58 LAFCOs within the State and had received responses from 28 LAFCOs and of the 28 LAFCOs 21 are not charged fees by their respective county departments. Seven LAFCOs indicated that they were billed for their Assessor's work on LAFCO proposals.

Mr. Church indicated that by charging a fee for state-mandated work, the County would add costs and bureaucracy to the LAFCO process. He cited codes for exempting LAFCOs from paying fees for state-mandated work.

**LAFCO Legal Counsel, Ray Biering**, handed out information to the Commission which included legal codes for billing LAFCOs for their state-mandated work. Mr. Biering summarized the details of the code sections.

There was discussion among LAFCO staff and Commission regarding the impact of fees and how LAFCO should proceed in communicating with the Assessor's office. It was determined

that LAFCO staff and Legal Counsel should meet with the Assessor's office staff to further discuss this matter.

**Public Comment:** None

Item C-2: Status Report: Sphere of Influence Update and Municipal Services Review Program Update.

**Mr. Prater** discussed the series of Sphere of Influence Updates (SOI) that LAFCO has performed over the years, stating that LAFCO is entering the "third round" of Cortese-Knox-Hertzberg Act-required SOI Updates, and that the Morro Bay SOI Update would be completed in early 2017. He added that this was a "second round" update.

**Vice-Chairman Ochylski** recused himself from the discussion of the Morro Bay SOI Update. Mr. Prater indicated that a main point in the Morro Bay SOI Update would be the wastewater site for the city.

**Mr. Church** indicated that LAFCO may want to review how approaches SOI Updates and MSRs in the future, specifically more financial analyses, population and organizational issues.

There were comments from the Commissioners regarding increasing the level of MSR review. It was thought that the MSRs have been broad in scope but not deep. Other topics discussed were districts working together on water issues, looking with a focus on financial matters.

**Mr. Church** stated that LAFCO does not interfere with how a district is governed, it allows entities to run themselves, and that LAFCO does work cooperatively with each entity.

**Public Comment:**

**David Brooks, LAFCO Alternate Public Member.** Mr. Brooks stated that he had concerns about LAFCO staff time if LAFCO became more involved with SOI Updates/MSRs and in the entities' business.

**End Public Comment**

**Commissioner Gibson** asked LAFCO staff to review district financial reports since they appear to rise and fall and that it is important to review those movements.

**Mr. Church** replied that the reports could be reviewed.

Item C-3: Final Legislative Report from CALAFCO Annual Conference

Mr. Church discussed this item saying that the 2016 CALAFCO Annual Conference was an excellent conference with good sessions for attendees and at a very good site.

He summarized the CALAFCO Legislative Update for the Commission which included:

- LAFCO-related Bills
- Land Use Planning and Development Bills
- Housing Bills

- Local Finance Bills

He also mentioned issues on-deck for the next legislative session. Commissioners who had attended the conference noted some of the sessions that were of particular interest to them.

**Chairman Mecham** stated that he had enjoyed attending the conference.

**Public Comment:** None

**Commissioner Comments:** None

**Legal Counsel Comments:** None

**Executive Officer Comments:** None

**Adjournment:** With no further business before the Commission, the meeting adjourned at 10:20 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.**

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Respectfully submitted,  
Donna J. Bloyd, LAFCO Commission Clerk