



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
MEETING MINUTES FOR
JUNE 16, 2016**

Call to Order:

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:00 a.m. on Thursday, June 16, 2016 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by

Pledge of Allegiance: Led by Chairman Mecham

Roll Call:

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

Absent: Commissioner Robert Enns and Ed Waage, and 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 April 21, 2016 with no changes or corrections. Vice-Chairman Ochylski seconded the motion.

The motion passed with a unanimous voice vote.

Non-Agenda Public Comments:

Eric Greening, 7365 Valle Avenue, Atascadero, CA 93422. Mr. Greening spoke about water resource information available online: www.waterfoundation.net and www.water.ca.gov/cagroundwater.

Informational Matters:

Item A-1: California Water District Study Session: Shandon/San Juan Water District

David Church, LAFCO Executive Officer presented this item explaining the Sustainable Groundwater Management Act (SGMA) and its requirements of communities. There are now deadlines to meet the creation of Groundwater Sustainability Agencies (GSA) and formation of

Groundwater Sustainability Plans (GSPs).

Mr. Church added that in San Luis Obispo County there are three basins in the medium-to-high priority category that are considered to be in critical overdraft: Cuyama, Los Osos and Paso Robles.

Mr. Church discussed the Department of Water Resources (DWR) timeline for implementation of the SGMA. He also discussed the GSA powers and functions.

Mr. Church discussed the County's SGMA strategy and indicated that Carolyn Berg, San Luis Obispo County Public Works Department, would speak regarding the issue.

Ms. Carolyn Berg, County of San Luis Obispo Public Works Department, Water Resources Division answered questions from Commissioners regarding funding, Proposition 218 vote, management of one or many districts once formed, how management would work in a formed district.

Mr. Church discussed LAFCO considerations in forming a water district and three phases of the strategy in forming a water district, then summarized the process and the powers and functions of a water district's board. Mr. Church presented a timeline and indicated where the issue is today.

Mr. Church discussed some key questions regarding forming a water district.

There was discussion among LAFCO staff and the Commissioners regarding the issues involved in forming a water district and questions arose from the Commission to which Mr. Church responded.

Public Comment:

Matt Turrentine, Post Office Box 12958, San Luis Obispo, CA 93406. Mr. Turrentine presented a map to the Commission. He stated that the concept of forming a water district was straight forward and that the State would likely come into the County with inadequate and inefficient information. He was in favor of a district which was composed of landowners who wanted to join it and pay for the programs.

Willy Cunha, Post office Box 360, Shandon, CA 93432. Mr. Cunha presented a handout to the Commission. He stated that his group who wished to form a water district had funding and were ready to comply with SGMA.

Greg Grewal, Post Office Box 376, Creston, CA 93432. Mr. Grewal is against the formation of a water district and spoke about funding and the 118 Boundary for the Paso Robles Basin.

Paul Clark, 1031 Pine Court, Paso Robles, CA 93446. Mr. Clark indicated that he felt having multiple water districts in the area may complicate things but that the DWR could be ineffective in managing the basin. He had concerns about representation in a possible water district and the Paso Robles Basin.

Eric Greening, 7365 Valle Avenue, Atascadero, CA 93422. Mr. Greening stated that he applauded people in the basin who want to work together to try to solve problems. He had concerns about future potential residents of the water district if property was sold or inherited. He also posed several questions about the formation process.

Dana Merrill, 2550 Creston Ridge Lane, Paso Robles, CA 93446. Mr. Merrill stated that he did not own land in the potential new water district area but that he wanted the application to be given consideration.

Jerry Reaugh, 3200 Branch Road, Paso Robles, CA 93446. Mr. Reaugh stated that he felt the application for the potential new water district is a serious and well-thought out proposal and that it should be formed if there were large water users in the district and funding for the district was available.

Laurie Gage, 5715 Linne Road, Paso Robles, CA 93446. Ms. Gage stated that she is in support of the formation of a water district. She felt that that forming a water district provided orderly and logical governance.

Sue Luft, 4561 Almond Drive, Templeton, CA 93465. Ms. Luft stated that the formation of the Paso Robles Basin Water District was a good proposal and that people want to come forward with solutions for the water problems in the area. She added some that people in her area were having to truck water to their properties.

The Commission discussed the formation of the district. Staff responded to a number of questions and comments.

Chairman Mecham stated that the item had been received by the Commission.

Item A-2: Status Report: San Luis Obispo Sphere of Influence/Municipal Services Review

Vice-Chairman Ochylski stepped down because of a conflict of interest.

At 10:15 a.m. Chairman Mecham called for a fifteen minute break.

At 10:24 a.m. Chairman Mecham called the meeting back into order.

Mike Prater, LAFCO Senior Analyst, presented this item. Mr. Prater discussed the Sphere of Influence (SOI) status update for the City of Morro Bay and the City of San Luis Obispo. He stated that the SOI is being released for a 45-day Public Review period the time of which is from June 16, 2016 to August 1, 2016.

Mr. Prater stated that the City of Morro Bay is seeking a site for a wastewater plant.

There were questions from the Commissioners regarding the sewer treatment plant site.

Mr. Prater added that the City and County of San Luis Obispo will consider a Memorandum of Agreement in August or September 2016.

There were questions from the Commissioners regarding adding areas to the City of San Luis Obispo's SOI, specifically the airport area, Dalidio area, and San Luis Ranch. Water usage

was discussed as well as traffic issues.

Mr. Prater stated that the SOI for the City of San Luis Obispo would remain the same as it is currently with no changes.

Public Comment:

Carlyn Christianson, Councilmember, City of San Luis Obispo stated that the Airport Land Use Board and Caltrans had agreed to work together regarding development in the area. The noise issue was the primary issue being discussed. She stated that the Airport Land Use Board would align with the City of San Luis Obispo's plan.

Chairman Mecham stated that this item had been received.

Item A-3: Legislative Update

Mr. Church gave a brief summary of the bills pending before the State Legislative Committee. He spoke about the AB 2910 – the "Omnibus" bill and about SB 1318-Wolk. Mr. Church stated that SB 1318 had been withdrawn from consideration by Senator Wolk because the proponents had refused to consider a compromise to their original wording.

Public Comment: None

Chairman Mecham stated that this item had been received.

Item A-4: LAFCO Website Update

Mr. Church introduced this item describing the new LAFCO website to the Commission. Mr. Prater brought the site online at the meeting so that the Commissioners could see the actual site. Ms. Boyd gave a brief summary of the new pages.

Public Comment: None

Chairman Mecham stated that this item had been received.

Regular Matters:

Item B-1: San Luis Obispo LAFCO Revised Budget for Fiscal Year 2016-2017

Mr. Church presented this item stating that there was a minor change to the budget approved in April 2016. LAFCO was informed on May 10, 2016 that the pension increase would be 4-5% rather than the 1.5% budgeted in April 2016. He also indicated that funds for performing an annual audit had been added to the budget.

Public Comment: None

Commissioner Murray moved that the Commission adopt by resolution and file with the County Auditor the Fiscal year 2016-17 LAFCO Budget as revised in Attachment A of the Staff Report.

Commissioner Fonzi seconded the motion.

AYES: Commissioners Murray, Fonzi, Eby, Gibson Vice-Chairman Ochylski, and
Chairman Mecham

NAYS: None

ABSTAINING: None

The motion passed with a unanimous roll call vote.

Commissioner Comments: None

Legal Counsel Comments: **Mr. Biering**, LAFCO Legal Counsel, stated that Mr. Church brought to his attention a discrepancy found in an independent review by Mr. Church, in terms of reimbursement of his deferred compensation benefit. Mr. Church discussed the matter with Mr. Jim Erb, San Luis Obispo County Auditor, and a resolution of the matter was implemented and the discrepancy corrected. Mr. Biering stated that no action was required on this matter.

Executive Officer Comments: None

Adjournment: With no further business before the Commission, the meeting adjourned at 10:54 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