



LAFCO - San Luis Obispo - Local Agency Formation Commission
SLO LAFCO - Serving the Area of San Luis Obispo County

TO: MEMBERS, FORMATION COMMISSION

FROM: DAVID CHURCH, AICP, EXECUTIVE OFFICER

DATE: APRIL 6, 2017

**SUBJECT: TIME EXTENSION FOR FIERO LANE WATER COMPANY
OUTSIDE USER AGREEMENT FILE NO. 1-O-16**

Recommendation

It is respectfully recommended that the Commission grant a two-year time extension for the Outside User Agreement between the City of San Luis Obispo and the Fiero Lane Water Company.

Summary

On April 21, 2016 LAFCO approved an Outside User Agreement between the Fiero Lane Water Company (FLWC) and the City of San Luis Obispo with conditions. Condition #2 required Fiero Lane Water Company to submit an application for annexation to LAFCO within one-year consistent with the Memorandum of Agreement.

The Outside User Agreement is for water and wastewater services between the City of San Luis Obispo and the Fiero Lane Water Company. The Outside User Agreement allows the City to provide water and sewer services associated with the future annexation as discussed in the Memorandum of Agreement between the City and the FLWC. The need for these service connections is due to: 1) unreliability of the existing water supply (three wells ~100 feet in depth), 2) the time, complexity, and cost of annexation, and 3) the poor quality of the existing water source which requires continuous and costly treatment.

The proposal was envisioned to occur in two phases with Phase One including interim hookups to the City water and sewer facilities. This phase was completed in summer of 2016.

Phase Two includes defining the detailed improvements required for permanent connections to the City systems, funding for the improvements, impact fees, and zoning. The City and FLWC are continuing to work through the process and expect to be completed by 2019.

A time extension may be granted, if requested (see attached letter).

Attachments

A: Time Extension Request

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Commission Clerk

Attachment A:
Time Extension Request

FIERO LANE WATER COMPANY

PO BOX 14704
SAN LUIS OBISPO, CA 93406

TELEPHONE 805.544-4011
FAX 805.544-4294

March 14, 2017

MAR 17 2017

SLO Local Agency Formation Commission
1042 Pacific Street, Suite A
San Luis Obispo, CA 93401

Subject: Request for Extension

The Fiero Lane Water Company would like to request a two-year extension on the annexation (ANNX-1166-2015) to the City of San Luis Obispo. We have enclosed our check for the Request for Time Extension fee in the amount of \$500.00.

The original project description for this annexation was initially presented in two phases.

Phase 1 included the interim hookup to City water and sewer facilities after initial Council and LAFCO authorization. This phase was successfully completed in the summer of 2016.

Phase 2 includes City and FLWC staff defining the detailed improvements required for permanent connections to the City Systems, funding for required improvements and impact fees, as well as zoning and land use consistency. The City and FLWC continue to work on these items. We have initiated contact with potential entities for financing, and we expect to complete that process in the second quarter of 2018. We currently anticipate final annexation to be complete by early 2019.

Thank you for your time to review this extension request. We look forward to completing the annexation process into the City of San Luis Obispo.

Sincerely,



Robert S. Miller, PE
General Manager