



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, INTERIM EXECUTIVE OFFICER,

DATE: MARCH 18, 2021

SUBJECT: PARTIAL FEE WAIVER REQUEST – CAYUCOS SANITARY DISTRICT WATER RECLAMATION FACILITY SPHERE OF INFLUENCE AMENDMENT AND ANNEXATION

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 Legal Counsel

IMELDA MARQUEZ
 Analyst

RECOMMENDATION. It is respectfully recommended that the Commission approve this partial fee waiver request by the Cayucos Sanitary District.

Attachments
 A: Fee Waiver Request

DISCUSSION. The Commission may waive the fees entirely or partially based on the information in this Staff Report and presented at the hearing. The Cayucos Sanitary District is constructing a new water reclamation plant to serve the unincorporated community of Cayucos. The District owns three parcels that include the site where the WRF is being constructed; a total of 257 acres. The District indicates that area of actual site development is approximately 8 acres. The balance of the property (249) will be zoned agriculture. The approved Coastal Development Permit and Certified Environmental Impact Report calls for easements to preserve the agricultural resources.

The partial fee waiver request uses 8 acres of developed area to calculate the fees. This would reduce LAFCO fees by \$5,870. Fees would be as follows:

	Normal	Partial Waiver
• Sphere of Influence Amendment	\$3,500	\$2,500
• Annexation Fees (\$5000+\$10/acre)	\$7,370	\$2,500
• CEQA	\$1,000	\$1,000
Totals	\$11,870	\$6,000

If the fee waiver is granted it would have a minor impact on the revenues collected by LAFCO. Also, the District has signed a Cost Accounting agreement that will be implemented if LAFCO Staff Costs exceed the fees charged. The impact of the fee waiver on the LAFCO budget would be minimal given that fees could be charged if the \$6,000 in partial fees are exceeded. In addition, the fee waiver helps reduce the cost of a public facility to a public agency. This waiver also benefits the rate payers, although the amount is small.

For these reasons it is recommended that the partial fee waiver be granted by the Commission. The District letter requesting the fee waiver is attached.

Attachment A

Cayucos Sanitary District Fee Waiver Request



CAYUCOS SANITARY DISTRICT

February 19, 2021

**SLO County LAFCO
1042 Pacific St. Ste. A
San Luis Obispo, CA 93401-3656**

Board President
Robert Enns

Vice President
Dan Chivens

Directors
Shirley Lyon
Hannah Miller
Robert Frank

District Manager
Rick Koon

Dear Honorable Chairperson Enns and Members of the Board,

This letter is to respectfully request a partial fee waiver for the Cayucos Sanitary District's ("District") annexation/sphere of influence amendment application, submitted via mail on February 17, 2021.

There are 257 acres of land being requested for annexation:

- Lot 6NE, consisting of 6.53 acres, on which the District's existing lift station is constructed
- Lot 7N, consisting of 15.33 acres, on which the District's existing pipelines are located

Both 6NE and 7N will be transferred to the County of San Luis Obispo in the near future.

The remaining lots, 8 and 10, consist of 236.01 acres. However, only approximately 8 of those acres will be improved with District facilities, including the water reclamation facility and the solar farm. The remaining 228.01 acres will remain an agricultural zone.

On these grounds, we request that the LAFCO fees for annexation and sphere of influence be based on those 8 acres only (\$6,000 total).

Thank you for your consideration of this request.

Sincerely,

Rick Koon, District Manager

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