



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
MEETING MINUTES FOR
APRIL 17, 2014**

Call to Order:

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:02 a.m. on Thursday, April 17, 2014 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairperson Roberta Fonzi.

Pledge of Allegiance: Led by Commissioner Mecham

Roll Call:

Present: Chairperson Roberta Fonzi, Vice-Chairman, Tom Murray, Commissioners Muril Clift, Frank Mecham, Marshall Ochylski, Duane Picanco, and Alternate Commissioners David Brooks, and Robert Enns

Absent: Commissioner Bruce Gibson and Alternate Commissioners Adam Hill and Kris Vardas

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

Approval of Minutes: Commissioner Picanco moved that the Minutes of March 20, 2014 be approved with no changes or corrections. Commissioner Mecham seconded the motion. The Minutes were approved with a unanimous roll call vote.

Non-Agenda Public Comments: None

Consent Agenda:

Item A-1: Submittal of the Third Quarter FY 2013/14 Budget Status Report

Chairperson Fonzi asked for public comment regarding the Consent Agenda. There were no comments. She asked for comments from the Commissioners who also had no comments.

Public Comment: None

Commissioner Mecham moved to receive and file the Third Quarter FY 2013/14 Budget Status Report

Commissioner Ochylski seconded the motion.

AYES: Commissioners Mecham, Ochylski, Clift, Vice-Chairman Murray, Commissioners Clift, Picanco, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Informational Matters:

Item B-1: Status Report: Coastal Community Services Districts Sphere of Influence Update and Municipal Services Review.

LAFCO Analyst, Mike Prater presented this item. He stated that the Coastal CSD staffs had reviewed and commented on the Administrative Draft of the Sphere of Influence Update/Municipal Services Review (SOI/MSR). The SOI/MSR has been released for public review which is open from April 11 - May 13, 2014. LAFCO staff is recommending that no changes to the SOI/MSR be made.

Mr. Prater gave a brief summary of each of the Districts (Avila Beach CSD, Cambria CSD, Los Osos CSD, San Simeon CSD, and Cambria Healthcare CSD) most recent SOI/MSR updates and stated that the SOI/MSR Update would be further discussed at the May LAFCO Commission meeting.

Public Comment: Amanda Rice, 1361 Haddon Drive, Cambria, CA 93428. Ms. Rice spoke about the Cambria Community Services District water issues and the infrastructure needs and deficiencies as reported in the SOI Update/MSR.

Commissioner Picanco moved to receive and file the Coastal Community Services Districts Sphere of Influence Update and Municipal Services Review.

Commissioner Clift seconded the motion.

AYES: Commissioners Picanco, Clift, Vice-Chairman Murray, Commissioners Ochylski, Picanco, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Item B-2: Water Study Session: Governance Structures

Mr. Church presented this item stating that at last month's Commission meeting a report regarding government options for various water districts was submitted to the Commission. Mr. Church summarized principal powers and structures of the various water districts. Mr. Church identified the following as districts that could manage groundwater basins:

Flood Control & Water Conservation District
County Service Area
County Water District
Water Conservation District
Irrigation District
California Water District
Water Replenishment District

Mr. Church provided a summary of governance structures that may be able to manage groundwater which include:

Governing body: who makes decisions?
Functions: what can the district do?
Formation: how is a district formed?

Mr. Church once again summarized the LAFCO Process for forming a water district. He then went into detail regarding each of the noted possible water districts.

Mr. Church also discussed AB 2453: special legislation for a hybrid California water district.

In closing Mr. Church discussed other topics for LAFCO to research relating to water and water districts.

There were questions and comments from the Commissioners regarding the legislation and LAFCO's role in that potential process of forming a California Water District.

Mr. Church and Mr. Biering responded to the Commissioners' questions and comments.

Public Comment:

Eric Greening, 7365 Valle Avenue, Atascadero, CA 93422. Mr. Greening spoke about sequences in creating a district and funding a district.

Jerry Reaugh, 3200 Branch Road, Paso Robles, CA 93446, PRAAGS. Mr. Reaugh complimented LAFCO Staff and the Commissioners on the thoroughness of the Water Study report. His concern was about the system of voting, i.e. landowners, residents, renters, one man, one vote.

Robert Brown, 7995 Melody Mountain Lane, Paso Robles, CA 93446, member of PRAAGS. Mr. Brown spoke about AB 2453 and keeping it focused on the formation of a water district and not enveloping other powers such as trash pickup, etc.

Commissioner Ochylski moved to direct LAFCO Staff and Legal Counsel prepare for LAFCO Chairperson Fonzi's signature a letter to Assemblymember Katcho Achadjian regarding AB 2453.

Vice-Chairman Murray seconded the motion.

AYES: Commissioner Ochylski, Vice-Chairman Murray, Commissioners Clift, Mecham, Picanco, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Commissioner Picanco moved to receive and file the Water Study Session: Governance Structures Report.

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

AYES: Commissioners Picanco, Mecham, Clift, Vice-Chairman Murray, Commissioner Ochylski, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Item B-3: CALAFCO Legislative Report. Consider positions on proposed legislation.

Mr. Church stated that the CALAFCO Legislative Committee met in March in Ontario, California to discuss and take action relating to several bills before the California State Assembly:

AB 2762, Cortese-Knox-Hertzberg Omnibus Bill;
AB 1729, Williamson Act;
AB 2156, LAFCO and JPA's;
AB 1527, Drinking water; and
AB 1961, Sustainable Farmland Strategy

Mr. Church summarized each bill for the Commission.

Commissioner Ochylski left the meeting. Alternate Commissioner Enns was seated in his place.

Public Comment: None

Commissioner Mecham moved to prepare and send the letters of support for the three bills as proposed in the Staff Report

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

AYES: Commissioners Mecham, Clift, Enns, Vice-Chairman Murray, Commissioner Picanco, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Item C-1: Public Hearing Regarding the Proposed LAFCO Budget for Fiscal Year 2014/15

Mr. Church discussed and summarized this item stating that the budget preparation is guided by the Cortese-Knox-Hertzberg Act (CKH Act) and local procedures. He stated that he had consulted with the County Auditor's Office and the San Luis Obispo Pension Trust. The proposed budget has been sent to Cities, Special Districts and the County as required by the CKH Act.

Public Comment: None

Commissioner Mecham moved to Adopt the Fiscal Year 2014/15 Budget as set forth in Exhibit A of the Staff Report.

The motion was seconded by **Vice-Chairman Murray**.

AYES: Commissioner Mecham, Vice-Chairman Murray, Commissioners Clift, Enns, Picanco, and Chairperson Fonzi

NAYS: None

ABSTAIN: None

The motion carried with a unanimous roll call vote.

Item D-1: The Commission will meet in closed session pursuant to Government Code Section 54956(b)(1) to confer with LAFCO Counsel regarding litigation in the matter of the Los Robles Del Mar Annexation #15 to the City of Pismo Beach.

Chairperson Fonzi asked LAFCO Legal Counsel Ray Biering if he had a report for the closed session portion of the meeting.

Mr. Biering stated that LAFCO had calendared a closed session, but that there had been no action regarding litigation in the matter of the Los Robles Del Mar Annexation #15 to the City of Pismo Beach and stated that the closed session should be cancelled.

Commissioner Comments: None

Legal Counsel Comments: None

Executive Officer Comments: None

Adjournment: With no further business before the Commission, the meeting adjourned at 10:51 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
