



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
APRIL 18, 2019**

Call to Order:

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:00 a.m. on Thursday, April 18, 2019 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairperson Lynn Compton.

Pledge of Allegiance

Roll Call

Present: Chairperson Lynn Compton, Vice-Chair Tom Murray, Commissioners Debbie Arnold, Robert Enns, Roberta Fonzi, Marshall Ochylski, Ed Waage, and Alternate Commissioner Ed Eby and Heather Jensen

Absent: Alternate Commissioners Steve Gregory and John Peschong

Staff: David Church, LAFCO Executive Officer
Brian A. Pierik, LAFCO Legal Counsel
Mike Prater, LAFCO Deputy Executive Officer
Donna J. Bloyd, LAFCO Commission Clerk

Approval of Minutes: Commissioner Fonzi moved approval of the Minutes for March 21, 2019. Commissioner Ochylski seconded the motion.

AYES: Commissioners Fonzi, Ochylski, Arnold, Enns, Waage, Vice-Chair Murray and Chairperson Compton

NAYS: None

ABSTAINING: None

The motion was passed with a unanimous roll call vote.

Non-Agenda Public Comments: None

Consent Agenda

A-1: Fiscal Year 2018-19 Third Quarter LAFCO Budget Status Report

Public Comment: None

AYES: Commissioners Waage, Chairperson Compton, Commissioners Arnold, Enns, Fonzi, Ochylski, and Vice-Chair Murray

NAYS: None

ABSTAINING: None

Informational Matters

B-1: Special Report: The Purpose and Intent of a Sphere of Influence

David Church, LAFCO Executive Officer, introduced this item. The focus of this item was to go over the purpose and intent of Spheres of Influence (SOI) and present the SLO LAFCO policy base for SOIs, Municipal Service Reviews (MSR) and Memoranda of Agreement (MOA).

Mr. Church noted that the Cortese-Knox-Hertzberg Act allows for local circumstances to be considered.

Mr. Prater then presented the explanation and summary of SOIs as well as SLO LAFCO's practice in establishing a SOI.

Mr. Prater also summarized the MOA process along with and gave examples of the use of a MOA. Mr. Prater continued his presentation by speaking about conditions of approval regarding the SOI.

In summarizing the item, Mr. Prater stated that the SOI has many components and information sources, limited legal application in terms of authority, facilitates a discussion between SLO LAFCO and a jurisdiction, and allows SLO LAFCO to "set the table" for future growth and development of a jurisdiction.

There were comments by **Commissioner Arnold** who also asked about having an inventory of properties in perpetual open spaces agreement.

Vice-Chairperson Murray agreed that an inventory would be helpful to have.

Public Comment: None

This item was for informational purposes only and did not require action by the Commission.

B-2: Memorandum from Legal Counsel Regarding Estrella-El Pomar-Creston Water District

LAFCO Legal Counsel, Brian Pierik, spoke about the legal analysis that was Item B-2 in the Memorandum to Commissioners in the Agenda packet.

Mr. Pierik stated that he had reviewed and analyzed the provisions of the Cortese-Knox-Hertzberg Act and concluded that LAFCO had the authority, on February 21, 2019, to approve replacing Condition #11 with the proposed language with regard to the Estrella-El Pomar-Creston Water District and find that the Estrella-El Pomar-Creston Water District has complied with the Conditions of Approval.

Vice-Chairperson Murray thanked **Mr. Pierik** for his clear and well-reasoned analysis.

Public Comment: None

Chairperson Compton stated that this item had been received.

Regular Matters

C-1: San Luis Obispo LAFCO Proposed Budget for Fiscal Year 2019-2020

Mr. Church began by saying that, as required by law, the budget would be presented to the Commission in May for another hearing. The final budget must be approved by June 15, 2019.

He commented that he had consulted with the County Auditors office and with Pension Trust in formulating this budget.

Mr. Church explained the expenses, revenues and reserves and fund balances.

He indicated that the budget shows an overall decrease of 1% from the last fiscal year, and that salaries were proposed to decrease by 2%. Mr. Church noted that agency shares would also be reduced.

Vice-Chairperson Murray had comments regarding the reserves. **Mr. Church** responded to his concerns.

Commissioner Ochylski moved that the Commission approve the Proposed Fiscal Year 2019-2020 LAFCO Budget; direct the Executive Officer to distribute the Final Budget and Resolution to the local agencies pursuant to the Cortese-Knox-Hertzberg Act; direct the Chair to sign the attached agreement with the County Auditor's office for financial services; and submit the Final Budget and Resolution to the SLO LAFCO Commission at its May 16, 2019 SLO LAFCO meeting.

Vice-Chairperson Murray seconded the motion.

Public Comment: None

AYES: Commissioner Ochylski, Vice-Chairperson Murray, Commissioners Arnold, Enns, Fonzi, Waage and Chairperson Compton

NAYS: None

ABSTAINING: None

The motion passed with a unanimous roll call vote

At 9:55 a.m. **Chairperson Compton** closed the session to the public.

Closed Session:

D-1: Government Code Section 54957 - Public Employee Performance Evaluation
Title: Executive Officer
Government Code Section 54957.6 - Conference with Labor Negotiations
Unrepresented Employee: Executive Officer

At 10:12 a.m. **Chairperson Compton** called the regular meeting back into order.

Report on Closed Session:

Mr. Pierik stated that there was no reportable action arising from the closed session.

Commissioner Comments: **Commissioner Waage** stated that he would not be at the May SLO LAFCO Commission meeting because of a prior engagement.

Legal Counsel Comments: **None**

Executive Officer Comments: **None**

Adjournment: With no further business before the Commission, the meeting adjourned at 10:12 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