



**SAN LUIS OBISPO  
LOCAL AGENCY FORMATION COMMISSION  
MEETING MINUTES FOR  
CORRECTED MINUTES FOR OCTOBER 19, 2017**

Please see Item B-1

**Call to Order:**

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:00 a.m. on Thursday, October 19, 2017 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairman Marshall Ochylski

**Pledge of Allegiance:** Led by Commissioner Fonzi

**Roll Call:**

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

**Absent:** Alternate Commissioners Adam Hill, Jamie Irons, and Heather Jenson

**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 August 17, 2017 with a change showing her presence at the August 2017 LAFCO Commission meeting.

**Commissioner Arnold** seconded the motion. Commissioner Murray abstained from voting.

**Non-Agenda Public Comments:**

**Greg Grewal**, Creston, CA. Mr. Grewal commented on the formation of the California Water Districts for the purpose of SGMA compliance. Mr. Grewal opposed the formation of these districts for this purpose.

**Consent Agenda:**

**A-1:** Fiscal Year 2017-18 First Quarter Budget Status Report

There were no comments or questions from the Commission regarding this issue.

**Public Comment:** None

**Commissioner Fonzi** moved to accept the Consent Agenda.

**Vice-Chairman Waage** seconded the motion.

The motion passed with a unanimous voice vote.

**Business Matters:**

**Corrected Item B-1**

**B-1:** Consider Adjusting Processing Fee for Proposed Detachments from California Water Districts

**LAFCO Executive Office, David Church** presented this item. He stated that the current fees for detaching from a district could be amended for the residents of the two California Water Districts that have been formed in San Luis Obispo County.

Mr. Church added that Spheres of Influence are co-terminus for both of the Districts, and the fees for processing a detachment of a 100-acre property would currently be \$9,800. With the proposed fee schedule change the amount would be \$3,500.

Mr. Church stated that the Commission could amend the fee schedule and include a sunset clause, if it wished.

Mr. Church provided a summary of the ideas behind the proposed fee amendment and the break-down of the fees stating that the Commission could amend the fee schedule at any time.

There were questions from the Commissioners regarding grouping more than one property owner in the detachment process.

Mr. Church responded to their questions.

**Public Comment:**

**Sophie Treder**, 22985 El Camino Real, Santa Margarita, CA 93453. Ms. Treder supports the proposed fee reduction and believes that the fees should be reduced further.

There was discussion among the Commissioners and LAFCO Staff regarding the ramifications of the proposed fee amendment and the effect on the Spheres of Influence of the two Districts should landowners detach from either District.

**Commissioner Murray** discussed a possible sunset clause. The Commission decided it could change the fee schedule at its discretion.

**Commissioner Arnold** moved to approve the proposed amendment to the LAFCO Fee Schedule for the California Water Districts, pursuant to Staff recommendation.

**Vice-Chairman Waage** seconded the motion.

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

NAYS: Commissioner Murray

ABSTAINING: None

The motion passed with a five-to-one roll call vote.

**B-2: Procedure for Appointing a Special District Representative on Consolidated Redevelopment Agency Oversight Board**

**Mr. Church** presented this item providing the Commission information regarding the new State law. The new State law now requires consolidation of oversight boards into one board. Mr. Church indicated that San Luis Obispo County has five individual oversight boards that will be consolidated into one oversight board. He added that this one board will include a special district representative and that representative will be appointed through the Independent Special District Committee. The LAFCO Executive Officer would assist the Committee by managing the election of the Special District Representative per the process found in the Cortese-Knox-Hertzberg Act.

There were questions from various Commissioners directed to **Ray Biering, LAFCO Legal Counsel** regarding LAFCO Commissioners taking part on the Oversight Board.

**Mr. Biering** advised the Commissioners that, while he could not advise individuals on this matter, he indicated that the LAFCO Commissioners could take part on this item which was to comply with State law.

Mr. Biering indicated that the Commissioners could contact the FPPC for specific information regarding their participation on the Oversight Committee.

**Mr. Church** concluded this item by summarizing the process of the Special District Committee.

Mr. Church is authorized to conduct the Special District election as allowed in the Cortese-Knox-Hertzberg Act.

**Chairman Ochylski** asked what would happen if there was no majority vote for a representative.

**Mr. Church** responded that the Governor would appoint someone to the position.

**Public Comment:** None

**Vice-Chairman Waage** moved that the Executive Officer work with the Special District Selection Committee to appoint a representative to the redevelopment agency oversight board pursuant to the new State law and as discussed in the Staff report.

**Commissioner Arnold** seconded the motion.

The motion passed with a unanimous voice vote.

**Informational Matters:**

**C-1:** Nipomo Community Services District Sphere of Influence Update/Municipal Services Review - Status Update

LAFCO Senior Analyst, Mike **Prater**, presented this item starting by summarizing the **Sphere of Influence** (SOI) process. He also displayed a map showing the various areas in the Nipomo Community Services District (NCSD).

Mr. Prater stated that the Administrative Draft of the SOI Update has been sent to the NCSD for review and that the Public Review draft will be available in January.

There was discussion among the Commissioners and LAFCO Staff regarding the groundwater issues as well as the Waterline Intertie Project with the City of Santa Maria.

**Public Comment:** None

**Chairman Ochylski** stated that this item was received and filed.

**C-2:** Cayucos Fire Protection District - Status Update

**Mr. Church** presented this item stating that LAFCO had received the Resolution of Application for Dissolution of the Cayucos Fire Protection District (CFPD) in September. Mr. Church noted that expenses are outpacing revenues and that it is likely not sustainable for the CFPD to continue service to the community. The dissolution of the CFPD has been considered by the District for a couple of years.

Mr. Church explained the reasons expressed by the CFPD Board for requesting the dissolution and outlined the process of dissolution.

Mr. Church also indicated that the problems suffered by the CFPD are being suffered by departments statewide.

**Public Comment:**

**Steven Beightler**, Chairman of the CFPD Board, 900 S. Ocean Avenue, Cayucos, CA 93430. Mr. Beightler stated that no one wanted to dissolve the CFPD, however, it is difficult to attract volunteers to the CFPD, and the cost of paying volunteers is \$200 per day. He added that, at one point, there had been a nine-day period with no fire engine driver available to the District.

**Lynda Van Fleet**, 949 Pacific Avenue, Cayucos, CA 93430. Ms. Van Fleet stated that she supports dissolution of the CFPD.

**John Curti**, 242 Cayucos Drive, Cayucos, CA 93430. Mr. Curti stated that he felt there were funding options for the CFPD.

**Francie Farinet**, no address given. Ms. Farinet stated that she felt that the Proposition 218 election information had misled people in Cayucos.

**John Carsel**, No address given, Cayucos, CA. Mr. Carsel stated that the election information had misled people and would have raised taxes to Cayucos residents five-fold.

End of Public Comment.

**Mr. Church** commented that this item was agendaized as a status update, in order to understand the issues surrounding the dissolution of the District.

He added that at a noticed LAFCO public hearing, the Commission would approve, modify, or deny the dissolution application. A protest process would also be followed regarding this issue as well.

Mr. Church indicated that the District and County need to discuss the level of service to be provided if the District is dissolved.

**Geoff O'Quest**, San Luis Obispo County Administrative Office. Mr. O'Quest stated that, under State law, the County *may* choose to provide fire services to Cayucos and that there was no specific established standard for the entire County. He also indicated that the District and County needed to discuss the service issues, with the County Board of Supervisors eventually weighing in on the question of services.

There were questions from the Commissioners regarding tax monies if the CFPD was dissolved.

**Mr. Church** responded to the questions, describing the process for completing a dissolved district's business.

There was discussion among the Commissioners and LAFCO Staff regarding County Fire/CALFIRE taking over responsibilities if the CFPD is dissolved and the urgency of resolving the dissolution issue.

**Chairman Ochylski** stated that this item was received and filed.

**C-3:** CALAFCO 2017 Annual Conference Update and Legislative Update - Summary of 2017 and Little Hoover Commission

**Chairman Ochylski** asked if this item could be passed up since time was of concern to him.

**Mr. Church** responded that if any Commissioners had questions regarding the Staff Report to call or email him.

Mr. Church confirmed that Chairman Ochylski would be the voting delegate at the conference and that Mike Prater, LAFCO Senior Analyst would be the alternate delegate.

**Public Comment:** None

**Vice-Chairman Waage** moved that the voting delegate and alternate delegate would be Chairman Ochylski and Mike Prater, respectively.

**Commissioner Murray** seconded the motion.

The motion passed with a unanimous voice vote.

At 10:32 a.m. **Chairman Ochylski** recused himself from hearing Item C-4 and left the meeting.

**Vice-Chairman Waage** called for a five minute break and chaired the meeting following the break.

At 10:42 **Vice-Chairman Waage** called the meeting back into order.

**C-4:** Proposed San Luis Ranch Annexation to the City of San Luis Obispo - Status Report

**Mr. Church** began the discussion of this item indicating that the City of San Luis Obispo (City) had approved the San Luis Ranch Specific Plan and EIR. He continued by saying that the property tax exchange between the City and County is a critical piece of the annexation. The application is on hold until an agreement is reached regarding property taxes. Mr. Church indicated that the City has a detailed water plan for this project.

Mr. Church discussed the annexation process and the project description.

**Mr. John Rickenbach**, John F. Rickenbach Planning and Environmental Consulting. Mr. Rickenbach spoke about the 1:1 agricultural land ratio and the plan for the project area.

Mr. Church commented that LAFCO will present a study session to the Commission in November to cover issues in more detail.

There were comments and questions from the Commissioners regarding housing and traffic.

**Mr. Church** responded to their questions.

**Vice-Chairman Waage** stated that this item was received and filed.

**Public Comment:** None

**Commissioner Comments:** None

**Legal Counsel Comments:** None

**Executive Officer Comments:** None

**Adjournment:** With no further business before the Commission, the meeting adjourned at 11:04 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.**

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Respectfully submitted,  
Donna J. Bloyd, LAFCO Commission Clerk