



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
OCTOBER 16, 2008**

Call to Order:

The San Luis Obispo Local Agency Formation Commission was called to order at 9:01 a.m. on October 16, 2008 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Chairman Richard Roberts.

Commissioners Present: Bruce Gibson, Barbara Mann, Duane Picanco, Allen Settle, Vice Chairman David Brooks, and Chairman Richard Roberts, Alternate Commissioners Ed Eby, and James R. Patterson (seated for Commissioner Achadjian)

Commissioners Absent: Commissioner K. H. "Katcho" Achadjian and Alternate Commissioner Gary Nemeth

Alternate Commissioner Murray joined the meeting once it was in progress.

Staff:

Paul L. Hood, Executive Officer, David Church, Deputy Executive Officer, Raymond A. Biering, LAFCO Legal Counsel.

Pledge of Allegiance: Led by Chairman Roberts

Approval of Minutes: Motion was made and seconded to approve the draft minutes of July 31, 2008.

Non-Agenda Public Comments: None

Consent Agenda:

Item A-1: Submittal of 2008-2009 LAFCO First Quarter Report

Motion was made by Commissioner Settle to approve the Consent Agenda.

Commissioner Mann seconded the motion.

The motion carried with a unanimous voice vote.

Regular Matters:

Item B-1: LAFCO File 2-S-08: Consideration of Municipal Service Review and Sphere of Influence Determination for the Santa Margarita Fire Protection District.

Mr. Hood, LAFCO Executive Officer, introduced this item, Mr. Church, LAFCO Deputy Executive Officer, provided a PowerPoint presentation.

Mr. Hood stated that the Commissioners had requested additional information for the 2007 Sphere of Influence Update ("SOI"). He stated that the Municipal Service Review ("MSR") was completed. The Santa Margarita Ranch development may impact the service capability of the Santa Margarita Fire Protection District ("the District"). Some of the issues include timing of mitigation, funding of services and potential expansion of the District.

Mr. Hood stated that an MSR addresses six factors in a community: water, sewer, fire, finances, administrative capabilities, and future growth.

Mr. Church discussed the map of the District, stating that the Mutual Aid area extends north to Santa Barbara Road, South to Tassajara Canyon and East toward Pozo.

Mr. Church stated that the District is funded by a small portion of property tax and has obtained grants for equipment from Homeland Security. Mr. Church added that the fire district is a volunteer agency. Mr. Church included a graph depicting the number of responses by the District from 2005 to 2007. He also included a map of the area showing the roads and terrain in the District.

Mr. Church stated that there would be a 30-day public review period of the SOI Update/MSR lasting until November 20, 2008.

Alternate Commissioner Patterson asked Mr. Church about the significant development planned for the Santa Margarita Ranch. He also asked about in-lieu fees to cover costs of additional fire personnel and equipment. Commissioner Patterson asked if LAFCO could impose a tax that would go toward fire protection services.

Mr. Hood stated that LAFCO does not have the authority to levy taxes. He stated that the County is the proper agency for tax assessment and a Prop 218 issue.

Commissioner Patterson asked Mr. Hood if LAFCO could recommend a tax assessment for fire protection services.

Mr. Hood responded in the affirmative.

Mr. Biering, LAFCO Legal Counsel, stated that LAFCO does not have the ability to impose developer fees or tax assessments, etc., but can impose conditions of annexation.

Commissioner Settle stated that the SOI should reflect that the District is subsidized in some areas.

Commissioner Mann asked if the District was a volunteer district.

Mr. Church stated that the District has 13 volunteer firefighters with room for 15. He stated that the trend in California is that volunteer fire departments are going under because of the cost of training. He added that Santa Margarita Fire Protection District is in good shape because of the grants it receives.

Mr. Church stated that LAFCOs statewide are consolidating fire departments.

Mr. Hood stated that CSA 23 (Santa Margarita) is County-dependent district established some years ago. At the time the Santa Margarita Fire Protection District did not want to be

consolidated into the CSA. He added that CALFIRE is an option for communities without independent fire districts.

Chairman Roberts asked if LAFCO could recommend the fire district's consolidation with the Santa Margarita Ranch development.

Mr. Hood stated that it depended on the Santa Margarita Ranch development and on their plan for providing services to the community. Mr. Hood stated that LAFCO could consider expanding the District's SOI when development plans are known.

There was discussion about costs and expenses for fire departments and the District's service area.

Mr. Church stated that the District's service area is co-terminus with its SOI. He added that a portion of the District's funds were used to pay the Fire Chief to plan check development plans in the community.

Commissioner Picanco asked about mutual and automatic aid required of the District to aid other areas.

Mr. Church stated that the City of Atascadero would be a provider of mutual aid to the District if they are responding to other areas.

Commissioner Patterson asked about the Atascadero State Hospital's fire department area.

There was discussion about the City of Atascadero's area of mutual and automatic aid area as well as the mutual and automatic aid area for the City of Paso Robles.

Commissioner Gibson stated that LAFCO should comment on the needs of the fire department and make clear comments that the District is barely able to meet its own needs and to point out the stresses on the District caused by providing mutual and automatic aid to other areas.

There was further discussion about the conditions that could be attached to development of the Santa Margarita Ranch and mutual and automatic aid areas.

Chairman Roberts opened the meeting to Public Comment on this item.

David Blakely, 2526 F. Street, Santa Margarita, CA 93453, stated that he had no problem with the SOI and felt that it was a good job by LAFCO. He discussed the Santa Margarita Ranch development and the 111 homes that would be built and stated that the prime service provider would be CALFIRE. He stated that this would be a 25% increase of homes in the area. He stated that he did not want Santa Margarita to be swallowed up by the Santa Margarita Ranch development. He asked if LAFCO could draft a letter to the Board of Supervisors to review impacts on the Santa Margarita Fire Protection District.

Chairman Roberts closed the meeting to public comment.

Chairman Roberts asked for the Commission's opinion on this request.

Commissioner Settle was in agreement with drafting a letter to the Board of Supervisors.

Chairman Roberts stated that he would like a letter to go to the Board of Supervisors or

conditions of approval to be placed on the Santa Margarita Ranch development. Mr. Hood stated that it would be appropriate to send a letter to the Board of Supervisors with the MSR attached.

Motion was made by Commissioner Mann to continue Review of the Municipal Service Review and Sphere of Influence Determination for the Santa Margarita Fire Protection District to the November 20, 2008 meeting.

Commissioner Brooks seconded the motion.

The motion carried with a unanimous roll call vote.

Item B-2: LAFCO File 3-S-08: Status Report for the Municipal Service Review and Sphere of Influence Determination for the Avila Beach Community Services District.

Mr. Hood recommended that discussion on this Item be continued to November 20, 2008.

The Commissioners noted the Item and unanimously agreed to continue it to the November 20, 2008 meeting.

Informational Items

Item C-1: Report on 2008 CALAFCO Annual Conference

Commissioner Settle stated that he had been elected to the CALAFCO Board of Directors at the conference and thanked the LAFCO staff for assisting him with the election materials.

Mr. Hood congratulated Mr. Settle and thanked the commissioners who attended the conference. He stated that it had been an excellent conference and that there were conference materials on the CALAFCO website.

Mr. Hood stated that a session regarding mutual water companies had been offered at the conference and felt that it had been a very timely session for LAFCO.

Mr. Hood also stated that there had been a session regarding SB 375 as well.

Commissioner Brooks stated that the conference had been good but that the Commissioners' round table was long and could have been better organized.

Commissioner Picanco stated that the conference offered good information and that he enjoyed attending.

Chairman Roberts stated that the conference was well-organized and professional.

Item C-2: Report on 2008 LAFCO Legislation

Mr. Hood stated that Peter Detwiler had prepared a brief on 2008 LAFCO legislation and commented on a couple of bills. SB 301, regarding vehicle license fees. He felt that this bill would help communities, such as Nipomo, to incorporate. SB 1458 would re-write a law passed in 1953 and streamline CSA laws.

Mr. Biering stated that there was a useful site on the handout for reviewing legal information with links to other sites, copies of code sections, and all Senate and Assembly bills.

Commissioner Picanco asked if the LAFCO fees were reviewed annually.

Mr. Hood stated that LAFCO fees currently covered the actual costs of a proposal. He stated that SLO LAFCO charges actual costs of each proposal. Mr. Hood also stated that the SLO LAFCO is on the high side of fees charged compared to other LAFCOs. Mr. Hood also mentioned that SLO LAFCO does not recover all costs of operation from processing fees, and that it is not possible to do.

Item C-3: Report on SB 375:

Mr. Hood stated that a draft report from the 2050 Strategic Growth Readiness Report and SB 375 was presented a couple of weeks ago to stakeholders.

Mr. Church stated that in terms of nationwide legislation, SB 375 is the most significant legislation to integrate land use planning with climate change. The County of San Bernardino had raised concern because the county was not in compliance with AB 32. AB 32 requires that air quality be at the 1990 level. Based on this, communities need to control their greenhouse gasses, urban sprawl, and vehicle use.

Mr. Church discussed the “smart”, or “strategic” growth efforts regarding sustainable communities and LAFCOs’ part in the process.

Commissioner Settle asked how successful effects could be obtained from communities.

Mr. Church responded that there would be funding incentives for compliance.

Commissioner Gibson stated that this legislation will have the biggest impact since Prop 13 and had concerns about how this treads on local control. He stated that there needed to be coordination to reach the sustainable community goals.

Mr. Hood stated that CALAFCO University would hold two classes in March 2009 regarding the implementation of SB 375.

Chairman Roberts stated that a letter was sent to SLOCOG by LAFCO staff regarding the Commission’s interest in the 2050 Strategic Growth plan.

Commissioner Patterson stated that implementation of either a mutual water and/or antiquated subdivisions can interrupt growth strategies.

Mr. Hood stated that LAFCO had agricultural policies in place and was working on water policies as well. Both of these support sustainable growth strategies.

Mr. Biering stated that SB 375 is a significant link between impacts and costs. He stated that the Center for Climate Change is part of AB 32 which offers broader solutions with region wide changes.

Commissioner Settle stated that the Air Pollution Control District could get into a position in which local policies could be pre-empted.

Commissioner Comments: None

Legal Counsel Comments: None

Executive Officer Comments:

Mr. Hood stated that the 2009 CALAFCO Staff Workshop would be hosted by the San Luis Obispo LAFCO and would be held at The Cliffs Resort Hotel in Shell Beach, April 29-May 1, 2009.

Mr. Hood stated that he would create a two-year work plan for the Commission to review at the next meeting.

Mr. Hood also stated that some Commissioners' terms would expire in December 2008, specifically Chairman Roberts, Public Member, Commissioner Brooks, Special Districts Member, and Tom Murray, Alternate Public Member.

Adjournment: With no further business before the Commission, the meeting adjourned at 10:24 a.m. until the next meeting scheduled for November 20, 2008 at 9:00 a.m. 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, Commission Clerk.