



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
MEETING MINUTES FOR
SEPTEMBER 16, 2010**

Call to Order:

The San Luis Obispo Local Agency Formation Commission meeting was called to order at 9:00 a.m. on Thursday, September 16, 2010 in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo, California by Vice Chairman Richard Roberts.

Roll Call:

Present: Vice Chairman Richard Roberts, Commissioners Katcho Achadjian, David Brooks, Ed Eby, Bruce Gibson, Kris Vardas, and Alternate Commissioners Muril Cliff, Roberta Fonzi, Tom Murray, and James R. Patterson

Absent: Chairman Duane Picanco

Staff:

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

Pledge of Allegiance: Led by Commissioner Fonzi

Approval of Minutes: Motion was made, seconded and passed, to approve the draft minutes of July 15, 2010.

Non-Agenda Public Comments: None

Consent Agenda:

Item A-1: Submittal of Final 2009-10 LAFCO Budget

Motion was made by Commissioner Achadjian to receive and file the Final 2009-2010 LAFCO Budget report.

Commissioner Fonzi seconded the motion.

The motion passed with a unanimous voice vote.

Informational Matters:

Item B-1: LAFCO File No. 3-S-09, Sphere of Influence Update/Municipal Service Review for the City of Pismo Beach Status Report.

LAFCO Executive Officer David Church introduced this item. LAFCO Analyst, Mike Prater

provided a PowerPoint presentation.

Mr. Church stated that the City of Pismo Beach's Sphere of Influence Update/Municipal Service Review (SOI/MSR) has been drafted and is nearly completed.

Two meetings regarding the Memorandum of Agreement (MOA) have been held, Study Areas have been identified and discussed and a site visit with the City of Pismo Beach (City), San Luis Obispo County (County) staff and LAFCO staff has been conducted.

The City has informed LAFCO staff that the Draft Environmental Impact Report (EIR) for the Price Canyon Specific Plan was released in September.

Mr. Church stated that LAFCO will postpone release of the Public Review SOI/MSR until the Draft EIR has been reviewed.

Mr. Church stated that public comments regarding the EIR are due by October 27, 2010.

Some of the issues to be reviewed are: water resources, proposed phasing, the SOI and annexation process, land use patterns, traffic and circulation, agricultural resources, and infrastructure finance and timing.

Mr. Church stated that there would be further analyses covering previous LAFCO comments, how LAFCO comments were addressed by the EIR.

Commissioner Gibson asked if approval of the SOI depended on the results of the Specific Plan.

Mr. Church responded that LAFCO usually waits to have California Environmental Quality Act (CEQA) document completed on a major project/proposal before submitting it to the Commission for consideration.

Commissioner Gibson asked if the SOI could change based on the Specific Plan.

Mr. Church stated that the Specific Plan and EIR would be used for the City to plan for the Price Canyon area. The SP/EIR would provide more information to be incorporated into the SOI/MSR analysis, which could help make decisions regarding the SOI.

Commissioner Gibson stated that he would like the County to be present at the LAFCO Commission meeting in which the next status report is discussed.

Commissioner Vardas stated that he would like to see the report on the EIR.

Mr. Church stated that it would be available for the Commission to review.

Commissioner Vardas asked if the City staff had cooperated with LAFCO throughout this process.

Mr. Church stated that there was cooperation among the agencies during the MOA meetings and in discussion of the City's boundary issues. He also stated that achieving agreement on the SOI boundary would be a challenge.

Chairman Roberts asked if there would be another status report at the October Commission meeting.

Mr. Church responded that if the Commission wanted to consider this item, it would be on the October agenda.

Chairman Roberts asked about the location of the inland arterial roadway.

Mr. Prater provided a slide showing the route of the proposed roadway.

Mr. Michael Draze, project manager for the City of Pismo Beach stated that the road would eventually cross the land of Mr. Mankins, but that the proposed road was a long-term project possibly not to be completed for up to 20 years.

Mr. Draz stated that the City, County and LAFCO staff would work further on the MOA and that the EIR would change with new information. He added that the Commission could use the EIR as well as the EIR for the Los Robles del Mar potential project.

Mr. Draz asked LAFCO to hold off on publishing the SOI Update/MSR because it was necessary for the City to approve the EIR. He added that the City may not consider the project until February or March 2011.

Commissioner Vardas asked where the arterial would cross Pismo Creek.

Mr. Draze stated that the road had not yet been surveyed, but that in the past it had been planned to relieve traffic on Highway 101. He stated that in viewing the terrain where the road was proposed, the terrain was too rough and uneven for a road. He added that there would be a new bridge built for crossing Pismo Creek and an at-grade railroad crossing as well. The new crossing would replace two older railroad crossings.

Commissioner Fonzi asked if contour maps would be provided to the Commission when this area was discussed.

Mr. Draze answered in the affirmative.

There were no public comments on this item.

Item B-2: LAFCO File No. 1-S-10, Public Cemetery Districts Sphere of Influence Update, Status Report.

Mr. Church introduced this item. Mr. Prater provided a PowerPoint presentation.

Mr. Church stated that the process for updating the Public Cemeteries Sphere of Influence (SOI) began in June 2010. A Request for Information & Survey was mailed to all public cemeteries. Mr. Church added that the cemetery districts were cooperative and helpful in responding to the survey. Mr. Church further stated that the San Luis Obispo County Auditors' Office provided the annual audits for the cemetery districts.

Mr. Church stated that LAFCO staff had prepared a Draft SOI. There is a 30-day public review period which will run from September 15 through October 15, 2010. This item will come before

the Commission once again in October or November 2010.

Alternate Commissioner James R. Patterson, provided input on the Santa Margarita Cemetery District. He stated that cemetery capacity figures on page 27 of the SOI/MSR needed to be reviewed accuracy.

Commissioner Patterson also asked that the Cemetery District SOI be changed to include the Pozo area and the Carissa Plain or California Valley area.

Commissioner Patterson stated that the Santa Margarita Cemetery District was at 95% capacity and is surrounded by the Santa Margarita Ranch (Ranch). He stated that records showed that the Ranch would increase the area of the Cemetery District when it creates a new Specific Plan. The Ranch, however, has not created a Specific Plan to date.

Commissioner Brooks stated that the Templeton Community Services District (TCSD) had contracted with the Templeton Cemetery District to operate the cemetery. The contract has now expired and may be renewed, however, the new contract had not been approved by the TCSD.

Commissioner Brooks stated that the TCSD had planned to ask for specific legislation from the California legislature to allow the TCSD to operate the cemetery permanently. This had not occurred and was not likely to be passed.

Commissioner Gibson stated that all the seats on the Adelaida Cemetery District Board were filled.

Mr. Church agreed with Mr. Gibson and stated that Nancy-Ann Dubost, former manager of the cemetery, had passed away and a new manager had not yet been disclosed to LAFCO. He added that he would make efforts to gather information regarding the Adelaida cemetery.

There were no public comments on this item.

Item B-3: LAFCO Work Plan Update and Status Report

Mr. Church introduced this item. Mr. Prater provided a PowerPoint presentation.

Mr. Church discussed the status of recently completed proposals which included the Madonna Gap property, the Pearwood annexation, and the Los Ranchos Road annexation.

Future annexations may include the City of San Luis Obispo's (SLO) Orcutt Area Specific Plan. Mr. Church stated that on September 21, 2010 the City of SLO City Council would meet to consider the Resolution of Application and Rezoning for this proposal.

Another possible annexation could be a minor boundary change on Broad Street.

Mr. Church stated that the City of Pismo Beach had held meetings regarding the water situation and annexation process for the Los Robles del Mar proposal.

The City of Atascadero has begun work in the Eagle Ranch Specific Plan and EIR.

Mr. Church stated that the following SOI Updates/MSRs would be worked on in 2010/2011:

- City of Paso Robles
- City of Arroyo Grande
- City of Grover Beach
- Oceano Community Services District (CSD)
- South San Luis Obispo County Sanitation District

Commissioner Achadjian stated his strong opposition to any effort to place the community of Oceano within the City of Grover Beach SOI.

Mr. Church stated that Mr. John Shoals, Mayor of Grover Beach, had on occasion mentioned his desire to place the community of Oceano within the City's SOI, but that there had not been a formal request to consider placing the OCSD in the City's SOI.

Commissioner Vardas asked about the water situation for the Eagle Ranch annexation.

Mr. Church stated that the Atascadero Mutual Water Company (AMWC) provided water service for the City of Atascadero. He further stated that the project contained 452 lots with certificates of compliance and that these were considered legal lots with water allotments from the AMWC.

Commissioner Fonzi spoke to Commissioner Vardas' question stating that the Atascadero Mutual Water Company provides the water/service to the City of Atascadero and that the Eagle Ranch lots are original colony lots which have entitlements for water from the AMWC.

Alternate Commissioner Patterson stated that the AMWC had also subscribed to the Nacimiento water project.

There were no public comments for this item.

Item B-4: Legislative Update-2010

Mr. Church introduced this item. Mr. Prater provided a PowerPoint presentation.

Mr. Church stated that AB 853 (Disadvantaged Unincorporated Communities) was the key bill this session. The intent of this bill is to begin addressing the issue of infrastructure deficiencies in disadvantaged, unincorporated communities. He stated that in San Luis Obispo County, the communities of San Miguel, Morro Bay and San Luis Obispo were considered disadvantaged under the definition of State law.

Commissioner Fonzi asked about the goal of the bill.

Mr. Church stated that the goal is to annex disadvantaged communities substantially surrounded by a district or city so that a community could receive services and upgrades not otherwise available.

Commissioner Fonzi asked if the City of SLO could annex CalPoly.

Mr. Church stated that could happen, but that the University and the City have not discussed this possibility.

Commissioner Brooks stated that AB 853 was not yet signed. He also asked if AB 2795 was considered urgent.

Mr. Church stated that it was not. He added that these bills will go into effect in 2011.

Commissioner Achadjian asked if the Oceano CSD was considered disadvantaged.

Mr. Church stated that AB 853 Oceano was not considered disadvantaged and that AB 853 was not aimed at a self-sufficient community such as Oceano.

Commissioner Gibson asked about the legislation to would protect a successor agency that dissolved as a result of bankruptcy.

Mr. Church stated that there was no word about that legislation.

Item B-5: CALAFCO Annual Conference-2010

Mr. Church introduced this item stating that SLO LAFCO had nominated two projects for an award at the CALAFCO Annual Conference 2010: The Nipomo Community Services District Sphere Update and Memorandum of Agreement; and the Madonna Gap annexation.

Mr. Church once again mentioned that the CALAFCO conference would take place in Palm Springs from October 6-8, 2010. Other than LAFCO staff, only Vice Chairman Roberts would attend the conference.

Commissioner Comments: None

Legal Counsel Comments: None

Executive Officer Comments: None

Adjournment: With no further business before the Commission, the meeting adjourned at 9:58 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