

TO: MEMBERS, FORMATION COMMISSION

FROM: PAUL L. HOOD, EXECUTIVE OFFICER

DATE: NOVEMBER 20, 2008

SUBJECT: SPHERE OF INFLUENCE (SOI) - MUNICIPAL SERVICE REVIEW (MSR) WORK PLAN UPDATE

Recommendation. It is respectfully recommended that the Commission review and approve the Work Plan (Exhibit A) for updating the Spheres of Influence and Municipal Service Reviews.

Discussion. The original Work Plan for preparing Sphere of Influence Updates and Municipal Service Reviews was established by the Commission in January, 2002. Since that time, Sphere Updates and Municipal Service Reviews have been completed for all 52 jurisdictions in San Luis Obispo. These local agencies include:

- 7 Cities
- 15 Community Services Districts
- 10 County Service Areas
- 9 Other Special Districts
- 11 Cemetery Districts

Government Code section 56425 (g) states the requirement for updating a Sphere of Influence for a jurisdiction as follows:

56425 (g) On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence.

The attached work plan focuses on those jurisdictions which have passed, or are approaching the five-year requirement for update. In order to determine if a Sphere of Influence Update is *necessary*, staff is recommending that the attached questionnaire (Exhibit B) be sent out to the following local agencies:

CITIES	SOI ACTIVITY/STATUS
City of Pismo Beach	Price Canyon Master Plan
City of Atascadero	Eagle Ranch Specific Plan
City of Arroyo Grande	Mobile Home Parks
City of Grover Beach	SOI is co-terminus with City limits
City of Paso Robles	Possible interest in SOI expansion-north/south

The Cities of Morro Bay and San Luis Obispo SOIs have been recently completed with their updates not due until 2012 (Morro Bay) and 2011 (SLO). We would also recommend that the Memorandum of Agreements be reviewed and amended if a City and County desire to reflect any changes in circumstances. Also, the South County Sanitation District provides wastewater treatment services to the Cities of Arroyo Grande and Grover Beach as well as the Oceano Community Services District. A questionnaire should be sent to the SCSD to help determine if a Sphere of Influence Update is needed.

Many Community Services Districts have recently updated Spheres of Influence with the five-year updates not due until 2011 or 2012. Oceano CSD's five-year update was due in February 2008. In Nipomo, the CSD's Sphere comes up on the five year review deadline in May 2009. Staff intends to send out the questionnaire and work with the District Staffs to determine if a SOI Update is necessary. The results of the questionnaire will be submitted to the Commission for consideration in January 2009.

COMMUNITY SERVICES DISTRICTS	SOI ACTIVITY/STATUS
Oceano CSD	Send out questionnaire/determine if update is needed.
Nipomo CSD	Send out questionnaire/determine if update is needed. Interest in possibly decreasing the SOI.

COUNTY SERVICE AREAS

The Sphere of Influence for County Services Areas were recently in October 2007 and do not need to be updated again until October 2012.

CEMETERY DISTRICTS

The Cemetery Districts Spheres of Influences were updated in July, 2002 and should have been revisited by July 2007. It is unlikely that any of the Districts SOIs are in need to updating. A questionnaire should be sent out and a determination made as to whether a SOI update/MSR should be prepared for the Cemetery Districts.

OTHER DISTRICTS

The two Soil Conservation Districts were completed in December 2007. The two Fire Districts located in the County (Cayucos and Santa Margarita) were completed in December 2007. An expanded Sphere of Influence for Santa Margarita Fire protection District is in the process of being completed. Other Districts that were completed in December 2007 include; Garden Farms County Water District, Cayucos Sanitary, Cambria Healthcare, and Port San Luis Harbor District. These Districts will not require an update until 2012.