



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
MAY 21, 2026, MEETING MINUTES**

Selection of Chair Pro-Tem

Mr. Fitzroy announced that the selection of a Chair Pro-Tem was required to run the meeting due to the absence of both the Chairperson and the Vice Chair.

Commissioner Gregory motioned to appoint Commissioner Waage as Chair Pro-Tem for this meeting.

Commissioner Fardanesh seconded the motion.

AYES: Commissioners Gregory, Fardanesh, Draze, Eby, and Waage

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Call to Order

The San Luis Obispo Local Agency Formation Commission (LAFCO) meeting was called to order at 9:02 a.m. on Thursday, May 21, 2026, by Chair Pro-Tem Ed Waage in the Board of Supervisors Chambers at the County Government Center, 1055 Monterey Street, San Luis Obispo, CA 93408.

Pledge of Allegiance

Roll Call

Present: Commissioners Ed Eby, Navid Fardanesh, Steve Gregory, Ed Waage, and Alternate Commissioner Michael Draze

Absent: Commissioner Dawn Ortiz-Legg, Vice Chair Dave Watson, Chairperson Heather Moreno, and Alternate Commissioners Bruce Gibson and Carla Wixom

Staff: Rob Fitzroy, LAFCO Executive Officer
Imelda Marquez-Vawter, LAFCO Senior Analyst
Morgan Bing, LAFCO Analyst
Melissa Morris, LAFCO Commission Clerk
Holly Whatley, LAFCO Legal Counsel

Approval of the Minutes: April 16, 2026

Chair Pro-Tem Waage announced the consideration of approval of the April 16, 2026, Regular Meeting Minutes.

Chair Pro-Tem Waage asked for Commissioner comments, announcing that it was closed shortly after hearing none.

Chair Pro-Tem Waage opened the item for public comment, announcing that it was closed shortly after hearing none.

Chair Pro-Tem Waage asked for a motion to approve the minutes.

Commissioner Gregory motioned to approve the minutes.

Commissioner Eby seconded the motion.

AYES: Commissioners Gregory, Eby, Draze, Fardanesh, and Chair Pro-Tem Waage

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Non-Agenda Public Comment Period

Chair Pro-Tem Waage opened public comment, announcing it was closed shortly after hearing none.

Regular Matters

A-1: LAFCO File No. 8-S-25: Municipal Service Review and Sphere of Influence Study for the Port San Luis Harbor District

Mr. Fitzroy invited **Ms. Bing** to present the item.

Chair Pro-Tem Waage opened the item for Commissioner questions and comments.

Commissioner Eby inquired about unitary taxes.

Mr. Fitzroy invited **Will Friedman**, Harbor Director of the Port San Luis Harbor District (PSLHD), to respond.

Mr. Friedman responded to questions and provided comment.

Ms. Morris confirmed that, according to news station KSBY, Senate Bill 931 was passed on Wednesday, May 20, 2026.

Commissioner Draze provided comment regarding the District’s finances.

Chair Pro-Tem Waage opened the item for public comment.

Betty Winholtz of Morro Bay provided comment in support of staff’s recommendations.

Chair Pro-Tem Waage closed public comment and opened the item for Commissioner questions and comments.

Commissioner Draze provided comment regarding PSLHD’s Sphere of Influence.

Commissioner Eby made a motion in support of the staff recommendation for Item A-1, Action 1: Find, by motion, the Municipal Service Review and Sphere of Influence Study prepared for the Port San Luis Harbor District (LAFCO File No. 8-S-25) to be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Categorical Exemption Section 15306 and CEQA General Rule Exemption 15061(b)(3).

Commissioner Gregory seconded the motion.

AYES: Commissioners Eby, Gregory, Draze, Fardanesh, and Chair Pro-Tem Waage

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Commissioner Fardanesh made a motion in support of the staff recommendation for Item A-1, Action 2: Approve, by resolution, the Port San Luis Harbor District Municipal Service Review and Sphere of Influence Study (LAFCO File No. 8-S-25) as contained in Attachments A and B, and reaffirm the District’s Sphere of Influence as depicted in Attachment A, Exhibit C.

Commissioner Gregory seconded the motion.

AYES: Commissioners Fardanesh, Gregory, Draze, Eby, and Chair Pro-Tem Waage

NAYS: None

ABSTAIN: None

The motion passed unanimously.

A-2: LAFCO File No. 4-S-24: Municipal Service Review and Sphere of Influence Study for the Garden Farms Community Water District

Mr. Fitzroy invited **Ms. Bing** to present the item.

Chair Pro-Tem Waage opened the item for Commissioner questions and comments.

Commissioner Fardanesh inquired about water quality.

Ms. Bing responded to questions and provided comment.

Chair Pro-Tem Waage opened the item for public comment, announcing it was closed shortly after hearing none.

Chair Pro-Tem Waage opened the item for Commissioner questions.

Commissioner Gregory made a motion in support of the staff recommendation for Item A-2, Action 1: Find, by motion, the Municipal Service Review and Sphere of Influence Study prepared for the Garden Farms Community Water District (LAFCO File No. 4-S-24) to be exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Categorical Exemption Section 15306 and CEQA General Rule Exemption 15061(b)(3).

Commissioner Draze seconded the motion.

AYES: Commissioners Gregory, Draze, Eby, Fardanesh, and Chair Pro-Tem Waage

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Commissioner Fardanesh made a motion in support of the staff recommendation for Item A-2, Action 2: Approve, by resolution, the Garden Farms Community Water District Municipal Service Review and Sphere of Influence Study (LAFCO File No. 4-S-24) as contained in Attachments A and B, and update the District's Sphere of Influence as depicted in Attachment A, Exhibit C.

Commissioner Gregory seconded the motion.

AYES: Commissioners Fardanesh, Gregory, Draze, Eby, and Chair Pro-Tem Waage

NAYS: None

ABSTAIN: None

The motion passed unanimously.

A-3: Consideration of the Final Fiscal Year 2026-2027 Budget and Work Plan

Mr. Fitzroy presented the item.

Chair Pro-Tem Waage opened the item for Commissioner questions and comments.

Commissioner Fardanesh inquired about reserve funds.

Mr. Fitzroy responded to questions and provided comment.

Chair Pro-Tem Waage opened the item for public comment, announcing it was closed shortly after hearing none.

Chair Pro-Tem Waage opened the item for Commissioner questions and provided comment regarding agency workload.

Commissioner Draze provided comment regarding the agency's balanced budget.

Commissioner Draze made a motion in support of the staff recommendation for Item A-3: Adopt a Resolution approving the Final Fiscal Year 2026-2027 Budget and Work Plan (Attachment A), direct the Executive Officer to distribute the Final Budget and Work Plan to contributing agencies per the government code, and direct the Executive Officer to execute the agreement with the County Auditor for financial services (Attachment B).

Commissioner Eby seconded the motion.

AYES: Commissioners Draze, Eby, Fardanesh, Gregory, and Chair Pro-Tem Waage

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Commissioner Comments:

Chair Pro-Tem Waage provided comments on his upcoming meeting availability and the CALAFCO Staff Workshop that was held in Pismo Beach.

Legal Counsel Comments:

Ms. Whatley thanked the Commissioners for their attendance.

Executive Officer Comments:

Mr. Fitzroy provided updates on the CALAFCO Staff Workshop and upcoming meetings.

Adjournment: With no further business before the Commission, the meeting adjourned at 9:41 AM until the next meeting of the Commission in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

Respectfully submitted,
Melissa Morris, LAFCO Commission Clerk