



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
SEPTEMBER 17, 2026, MEETING MINUTES**

Call to Order

The San Luis Obispo Local Agency Formation Commission (LAFCO) meeting was called to order at 9:00 a.m. on Thursday, September 17, 2026, by Chairperson Heather Moreno 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: Chairperson Heather Moreno, Vice Chair Dave Watson, Commissioners Ed Eby, Navid Fardanesh, Steve Gregory, and Ed Waage

Absent: Commissioner Dawn Ortiz-Legg, and Alternate Commissioners Michael Drazee, Bruce Gibson, John Joyce, and Carla Wixom,

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

Approval of the Minutes: June 18, 2026

Chairperson Moreno announced the consideration of approval of the June 18, 2026, Regular Meeting Minutes.

Chairperson Moreno asked for Commissioner comments, hearing none.

Chairperson Moreno opened the item for public comment. Hearing no public comments, the public comment period was closed.

Chairperson Moreno called for a motion to approve the June 18, 2026, Regular Meeting Minutes.

Vice Chair Watson moved to approve the minutes.

Commissioner Gregory seconded the motion.

AYES: Vice Chair Watson, Commissioners Gregory, Eby, Fardanesh, and

Chairperson Moreno

NAYS: None

ABSTENSIONS: Commissioner Waage

The motion passed.

Non-Agenda Public Comment Period

Chairperson Moreno opened the non-agenda public comment. Hearing no requests to speak, Chairperson Moreno closed the public comment period.

Consent Matters

A-1: Year End Budget Report and Work Plan Update for Fiscal Year 2025-2026

Chairperson Moreno introduced the consent matters and invited Commissioner questions or comments.

Chairperson Moreno opened the item for public comment. Hearing no public comments, the public comment period was closed.

Chairperson Moreno called for a motion to approve the Consent Agenda.

Commissioner Fardnesh moved to approve the Consent Agenda.

Commissioner Waage seconded the motion.

AYES: Commissioners Fardanesh, Waage, Eby, Gregory, Vice Chair Watson, and Chairperson Moreno

NAYS: None

ABSTENSTIONS: None

The motion passed unanimously.

Informational Matters

B-1: Update on the Proposed Dissolution of the San Simeon Community Services District | LAFCO File No. 2-R-24

Mr. Fitzroy presented the item.

Chairperson Moreno opened the item for Commissioner questions and comments.

Commissioner Waage inquired about the condition and requirements imposed by the California Coastal Commission on San Simeon Community Services District's (SSCSD) wastewater treatment plant.

Mr. John Diodati, Director of Public Works for the County of San Luis Obispo, commented on the condition and status of the wastewater treatment plant.

Commissioner Waage also asked about SSCSD's water service operations.

Mr. Diodati provided comment on SSCSD's water system, budget, and rates.

Commissioner Waage inquired about State Park's water usage.

John Diodati responded.

Commissioner Eby asked about the number of registered voters within SSCSD, potential costs of consolidation or annexation into Cambria Community Services District (CCSD), and budget deficits.

John Diodati responded.

Vice Chair Watson inquired about the grant funding process, project timelines, and coordination with the Coastal Commission.

John Diodati responded.

Vice Chair Watson asked whether correspondence from LAFCO to the Coastal Commission would be beneficial.

Mr. Fitzroy responded.

Commissioner Gregory inquired about wastewater service from CCSD.

Mr. Fitzroy responded.

Commissioner Gregory asked about the State's responsibility.

Ms. Whatley responded.

Commissioner Gregory commented on the State Park's water supply.

John Diodati responded.

Commissioner Fardanesh inquired about rates.

John Diodati responded.

Commissioner Fardanesh inquired about SSCSD's Board of Directors.

John Diodati responded.

Chairperson Moreno inquired about Board vacancies.

John Diodati responded.

Chairperson Moreno opened the item for public comment and, hearing none, closed the public comment period. This item was received and filed.

Regular Matters

C-1: Municipal Service Review Policies and Guidelines

Mr. Fitzroy introduced the item, providing background information and presenting proposed policy 2.7.4 and the associated proposed implementation guidelines 3.5.8 and 3.5.9.

Chairperson Moreno suggested that discussion occur following each individual proposed policy.

Mr. Fitzroy concurred.

Vice Chair Watson recommended adding references to Capital Improvement Plans within proposed Implementation Guideline 3.5.8.

Mr. Fitzroy acknowledged the suggestion and stated that staff could incorporate the revision if supported by the Commission.

Commissioner Eby asked if the proposed policies apply to cities as well as special districts.

Mr. Fitzroy responded.

Mr. Fitzroy presented proposed policy 2.7.5 and associated proposed implementation guidelines 3.5.10 and 3.5.11.

Chairperson Moreno asked for Commissioner questions, hearing none.

Mr. Fitzroy presented proposed policy 2.7.6 and associated proposed implementation guidelines 3.5.12, 3.5.13, 3.5.14, 3.5.15, and 3.5.16.

Commissioner Eby commented on proposed implementation guideline 3.5.16 and asked if it

would also apply to the dissolution of cities.

Mr. Fitzroy responded.

Ms. Whatley clarified that LAFCOs do not have the authority to initiate disincorporation of a city.

Chairperson Moreno asked if cities are included in Government Code Section 56375.1.

Mr. Fitzroy responded that Government Code Section 56375.1 pertains only to special districts.

Vice Chair Watson suggested adding language to proposed implementation guideline 3.5.16 to clearly indicate that it only applies to special districts.

Mr. Fitzroy stated that staff could revise the language accordingly to provide clarity.

Commissioner Fardanesh inquired about staff providing status updates during remediation periods.

Mr. Fitzroy responded.

Mr. Fitzroy presented proposed policy 2.6.13 and associated proposed implementation guideline 3.5.17.

Chairperson Moreno suggested incorporating references to capital improvement planning to proposed implementation guideline 3.5.17.

Mr. Fitzroy responded.

Mr. Fitzroy presented proposed policy 2.7.7 and associated proposed implementation guidelines 3.5.18, 3.5.19, 3.5.20, 3.5.21, and 3.5.22.

Commissioner Waage commented on the Upper Salinas – Las Tablas Resource Conservation District's audit progress.

Commissioner Fardanesh asked how frequently the policies would be reviewed and updated.

Mr. Fitzroy responded and suggested that staff provide the Commission with a policy review and status update in one year.

Commissioner Fardanesh expressed support for a one-year check in.

Mr. Fitzroy concluded the presentation.

Chairperson Moreno opened the item for Commissioner questions.

Commissioner Fardanesh asked about the statutory timeline for Municipal Service Reviews.

Mr. Fitzroy responded.

Chairperson Moreno opened the item for public comment, announcing it was closed shortly after hearing none.

Chairperson Moreno called for a motion to approve the item with the following modifications:

- Revise the guidelines associated with Policies 2.7.4 and 2.6.13 to incorporate references to capital improvement planning.
- Revise the implementation guideline associated with Policy 2.7.6 to clarify that Government Code Section 56375.1 applies only to special districts.
- Direct staff to provide the Commission with a status update on the policies in approximately one year.

Commissioner Eby moved to approve the item with the modifications.

Vice Chair Watson seconded the motion.

AYES: Commissioner Eby, Vice Chair Watson, Commissioners Fardanesh, Gregory, Waage, and Chairperson Moreno

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Commissioner Comments:

Chairperson Moreno inquired about the public comment letter received regarding the CALAFCO Board of Directors elections.

Legal Counsel Comments:

None.

Executive Officer Comments:

Mr. Fitzroy provided updates on the CALAFCO Board of Directors election, the tentative future meeting schedule, and the Commission Clerk position recruitment.

Adjournment: With no further business before the Commission, the meeting adjourned at 10:16 AM until the next meeting of the Commission in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

UNTIL THEY ARE APPROVED BY LAFCO COMMISSIONERS AT THE NEXT REGULAR MEETING.

Respectfully submitted,
Morgan Bing, LAFCO Analyst

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