



**SAN LUIS OBISPO  
LOCAL AGENCY FORMATION COMMISSION  
DECEMBER 18, 2025, 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, December 18, 2025, by Chairperson Steve Gregory 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 Steve Gregory, Vice Chair Heather Moreno, Commissioners Ed Eby, Navid Fardanesh, Dawn Ortiz-Legg, Ed Waage, and David Watson

**Absent:** Alternate Commissioners Michael Draze, 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:** September 18, 2025

**Chairperson Gregory** announced the consideration of approval of the September 18, 2025, Regular Meeting Minutes.

**Chairperson Gregory** asked for Commissioner comments.

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

**Chairperson Gregory** asked for a motion to approve the minutes.

**Commissioner Waage** motioned to approve the minutes.

**Commissioner Watson** seconded the motion.

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

**NAYS:** None

ABSTAINING: Commissioners Eby and Ortiz-Legg

The motion passed.

**Non-Agenda Public Comment Period**

**Chairperson Gregory** opened public comment, announcing it was closed shortly after hearing none.

**Consent Matters**

**A-1:** 2026 Meeting and Holiday Calendar

**A-2:** First Quarter Fiscal Year 2025-2026 Budget Status and Work Plan Report

**A-3:** Time Extension Request for LAFCO File No. 2-R-23: Sphere of Influence Amendment and Annexation No. 1 to County Service Area 23 (111 Residential Lots in Tract 2586)

**A-4:** Conflict of Interest Code Amendment

**Chairperson Gregory** opened the item for Commissioner questions and comments.

**Mr. Fitzroy** provided comment.

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

**Vice Chair Moreno** motioned to approve the Consent Matters.

**Commissioner Watson** seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion passed unanimously.

**Regular Matters**

**B-1:** Status Update on the Upper Salinas - Las Tablas Resource Conservation District's Outstanding Financial Audits and Options for District Governance Structure Changes

**Mr. Fitzroy** presented the item.

**Chairperson Gregory** opened the item for Commissioner questions and comments.

**Commissioner Waage** inquired about internal controls.

**Mr. Fitzroy** responded to questions and provided comment.

**Commissioner Waage** provided comment regarding the Fire Safe Council's letter of support.

**Commissioner Ortiz-Legg** inquired about leadership changes.

**Mr. Fitzroy** responded to questions and provided comment.

**Vice Chair Moreno** inquired about embezzlement and audits.

**Mr. Fitzroy** responded to questions and provided comment.

**Commissioner Fardanesh** inquired about district reporting requirements.

**Mr. Fitzroy** responded to questions and provided comment.

**Chairperson Gregory** opened the item for public comment.

**Drew Loganbill**, Executive Director of the Upper Salinas-Las Tablas Resource Conservation District, provided comment.

**Vice Chair Moreno** inquired about audits and embezzlement.

**Mr. Loganbill** responded to questions and provided comment.

**Commissioner Watson** inquired about embezzlement and LAFCO staff recommendations.

**Mr. Loganbill** responded to questions and provided comment.

**Commissioner Waage** inquired about internal controls.

**Mr. Loganbill** responded to questions and provided comment.

**Commissioner Fardanesh** inquired about board membership.

**Mr. Loganbill** responded to questions and provided comment.

**Chairperson Gregory** inquired about embezzlement.

**Mr. Loganbill** responded to questions and provided comment.

**James Hamilton**, San Luis Obispo County Auditor-Controller-Treasurer-Tax Collector-Public Administrator, provided comment.

**Commissioner Waage** inquired about grant funding.

**Mr. Hamilton** responded to questions and provided comment.

**Vice Chair Moreno** inquired about fiscal controls.

**Mr. Hamilton** responded to questions and provided comment.

**Christopher Smith**, a director on the Upper Salinas-Las Tablas Resource Conservation District Board, provided comment supporting the staff recommendation.

**Hallie Richard**, Executive Director for the Coastal San Luis Resource Conservation District, provided comment supporting the staff recommendation.

**Commissioner Ortiz-Legg** inquired about consolidation.

**Ms. Richard** responded to questions and provided comment.

**Chairperson Gregory** closed public comment and opened the item for Commissioner questions and comments.

**Vice Chair Moreno** provided comment and made a motion in support of the staff recommendation.

**Commissioner Watson** seconded the motion and provided comment.

**Commissioner Waage** provided comment and inquired about financial records.

**Mr. Hamilton** responded to questions and provided comment.

**Commissioner Ortiz-Legg** provided comment.

**Commissioner Fardanesh** provided comment regarding the recommended timeline.

**Commissioner Ortiz-Legg** responded to questions and provided comment.

**Chairperson Gregory** provided comment.

**Vice Chair Moreno** provided comment.

**Commissioner Watson** provided comment and inquired about a quarterly update.

**Mr. Fitzroy** responded to questions and provided comment.

**Vice Chair Moreno** provided comment.

**Chairperson Gregory** provided comment.

**Mr. Fitzroy** provided comment.

**Commissioner Waage** provided comment regarding audit responsibilities and reporting.

**Vice Chair Moreno** motioned to approve the staff recommendation for Item B-1, Action 1: Receive and file an informational report regarding the status of Upper Salinas – Las Tablas Resource Conservation District’s outstanding financial audits and the process for a LAFCO-initiated change of organization, and Item B-1, Action 2: Direct staff to return with the Upper Salinas – Las Tablas Resource Conservation District Municipal Service Review and Sphere of Influence Study for approval, by resolution, including determinations that document financial deficiencies with a condition of approval requiring:

1. A 12-month remediation period for the District to complete financial audits for Fiscal Years 2023-24 and 2024-2025.
2. A directive for LAFCO staff to report back to the Commission at the conclusion of the 12-month period with an update and options for further consideration of a change of organization if the Commission deems remediation efforts unsatisfactory.

**Commissioner Watson** seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion passed unanimously.

**B-2:** LAFCO File No. 7-S-25: Municipal Service Review and Sphere of Influence Study for the Shandon-San Juan Water District

**Mr. Fitzroy** introduced **Ms. Bing**, who presented the item.

**Chairperson Gregory** opened the item for Commissioner questions and comments.

**Commissioner Fardanesh** commented on the JPA.

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

**Commissioner Waage** motioned to approve the staff recommendation for Item B-2, Action 1: Find, by motion, the Municipal Service Review and Sphere of Influence Study prepared for the Shandon–San Juan Water District (LAFCO File No. 7-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).

**Vice Chair Moreno** seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion passed unanimously.

**Commissioner Waage** motioned to approve the staff recommendation for Item B-2, Action 2: Approve, by resolution, the Shandon–San Juan Water District Municipal Service Review and Sphere of Influence Study (LAFCO File No. 7-S-25) as contained in Attachments A and B, and reaffirm the District’s existing Sphere of Influence as depicted in Attachment A, Exhibit C.

**Commissioner Eby** seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion passed unanimously.

**B-3:** Notice of Petition of Landowner Application for LAFCO File No. 1-R-25: Annexation No. 21 to Cayucos Sanitary District (Steinmann)

**Mr. Fitzroy** introduced **Ms. Marquez-Vawter**, who presented the item.

**Chairperson Gregory** opened the item for Commissioner questions and comments, announcing it was closed shortly after hearing none.

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

**Chairperson Gregory** noted the item is to be received and filed.

**Commissioner Comments:**

**Vice Chair Moreno** provided comment on Consent Item A-4, asking that it be corrected and brought back to the next regular meeting.

**Commissioner Eby** provided comment on the CALAFCO Conference he attended.

**Commissioner Waage** provided comment on the importance of internal controls.

**Chairperson Gregory** thanked staff for their continued hard work.

**Legal Counsel Comments:**

None.

**Executive Officer Comments:**

**Mr. Fitzroy** provided updates on future meetings and the Special District Alternate Election.

**Adjournment:** With no further business before the Commission, the meeting adjourned at 10:37 AM until the next meeting of the Commission in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

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Respectfully submitted,  
Melissa Morris, LAFCO Commission Clerk