



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
AUGUST 15, 2024, MEETING MINUTES**

Call to Order

The San Luis Obispo Local Agency Formation Commission (LAFCO) meeting was called to order at 9:01 a.m. on Thursday, August 15, 2024, by Chairperson Ochylski 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 Marshall Ochylski, Vice Chair Steve Gregory, Commissioners Debbie Arnold, Robert Enns, Jimmy Paulding, and Ed Waage, and Alternate Commissioners Ed Eby and David Watson

Absent: Alternate Commissioners Dawn Ortiz-Legg and Carla Wixom

Staff: Rob Fitzroy, LAFCO Executive Officer
Imelda Marquez-Vawter, LAFCO Analyst
Morgan Bing, LAFCO Clerk Analyst
Brian Pierik, LAFCO Legal Counsel

Approval of the Minutes: May 16, 2024

Chairperson Ochylski announced the consideration of approval of the May 16, 2024, Regular Meeting Minutes.

Chairperson Ochylski asked for Commissioner comments.

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

Chairperson Ochylski asked for a motion to approve the minutes.

Commissioner Watson motioned to approve the minutes.

Commissioner Waage seconded the motion.

The motion passed with a unanimous voice vote.

Non-Agenda Public Comment Period

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

Informational Matters

A-1: LAFCO File No. 3-R-24 | Notice of Submittal for Petition of Application for Annexation No. 31 to Nipomo Community Services District (Murguia)

Ms. Bing presented the item.

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

Chairperson Ochylski asked for Commissioner comments or a motion to approve the item.

Vice Chair Gregory motioned to approve staff recommendation.

Commissioner Waage seconded the motion.

The motion passed with a unanimous voice vote.

Regular Matters

B-1: LAFCO File No. 1-R-23 | Sphere of Influence Amendment and Annexation No. 4 to County Service Area 12 (Weldon) Time Extension Request

Ms. Bing presented the item.

Chairperson Ochylski opened the item for Commissioner questions.

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

Commissioner Arnold motioned to approve staff recommendation.

Commissioner Paulding seconded the motion.

AYES: Commissioners Arnold, Paulding, Enns, Waage, Watson, Vice Chair Gregory, and Chairperson Ochylski

NAYS: None

ABSTAINING: None

The motion was passed unanimously.

B-2: Public Member Recruitment Results

Mr. Fitzroy presented the item.

Chairperson Ochylski opened the item for Commissioner questions.

Commissioner Arnold asked if Commissioner deliberation and selection of the public member should occur in public.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Waage inquired about interviews conducted by a nominating committee.

Mr. Fitzroy responded to questions and provided comment.

Vice Chair Gregory asked about the preferred number of finalists.

Mr. Fitzroy responded to questions and provided comment.

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

Chairperson Ochylski commented on his preference for Option 2 or Option 3 with restricted interview time.

Commissioner Arnold stated her preference for Option 3 with restricted interview time.

Commissioner Waage stated his preference for Option 1.

Chairperson Ochylski reopened public comment.

Carmen Morales-Board, resident of Nipomo, asked how the process has been conducted in the past.

Chairperson Ochylski closed public comment.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Ochylski and **Commissioner Waage** provided comment.

Commissioner Paulding stated his preference for Option 3 with restricted interview time.

Commissioner Enns stated his preference for Option 1.

Vice Chair Gregory provided comment on his preference for all candidates to be interviewed.

Commissioner Arnold motioned to direct the Executive Officer to proceed with agendizing a full Commission interview of all candidates and selection of the public member(s) with restricted interview time.

Mr. Fitzroy provided additional information on the nominating committee option.

Commissioner Paulding seconded the motion.

Commissioner Enns asked if interviews would be in-person or remote.

Mr. Fitzroy replied interviews would be conducted in person.

Chairperson Ochylski reopened public comment.

Carmen Morales-Board, resident of Nipomo, asked who the immediate past chair of the commission is.

Chairperson Ochylski closed public comment.

Commissioner Arnold commented she was the past chair.

Chairperson Ochylski asked for a roll call vote.

AYES: Commissioners Arnold, Paulding, Vice-Chair Gregory, and Chairperson Ochylski

NAYS: Commissioner Enns and Waage

ABSTAINING: Commissioner Watson

The motion passed.

B-3: Year End Budget Report and Fourth Quarter Work Plan Update for Fiscal Year 2023-2024

Mr. Fitzroy presented the item.

Chairperson Ochylski opened the item for Commissioner questions.

Commissioner Watson inquired about the sequence of agency involvement with the Shandon-San Juan Water District annexation proposal.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Arnold commented on the property associated with the Shandon-San Juan

Water District annexation proposal and the need for landowner representation.

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

Chairperson Ochylski asked for a motion.

Vice Chair Gregory motioned to approve staff recommendation.

Commissioner Waage seconded the motion.

AYES: Vice-Chair Gregory, Commissioners Waage, Arnold, Enns, Paulding, Watson, and Chairperson Ochylski

NAYS: None

ABSTAINING: None

The motion passed unanimously.

B-4: Budget Adjustment to Fiscal year 2024-2025 Budget and Organizational Adjustment

Mr. Fitzroy presented the item.

Chairperson Ochylski inquired about a budget adjustment for the position conversion and asked about overall workload.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Enns suggested considering a budget adjustment for the position conversion.

Chairperson Ochylski and **Commissioner Waage** agreed with **Commissioner Enns**.

Mr. Fitzroy provided comment and suggested bringing back a budget adjustment item to the next meeting.

Vice Chair Gregory asked about the possibility of increased revenue.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Watson inquired about implications of the adjusted budget and asked about adjusting application rates.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Ochylski opened the item for public comment.

John Joyce, resident of Nipomo, asked that the Nipomo Community Services District Municipal Service Review be accelerated and commented on the need for additional workload capacity to complete Municipal Service Reviews more efficiently.

Chairperson Ochylski closed public comment and asked for further discussion or a motion.

Commissioner Enns motioned to adopt a Resolution approving a Fiscal Year 2024-2025 budget adjustment and position modification with a salary review for the Analyst position at the next meeting.

Vice Chair Gregory seconded the motion.

AYES: Commissioner Enns, Vice Chair Gregory, Commissioners Arnold, Paulding, Waage, Watson, and Chairperson Ochylski

NAYS: None

ABSTAINING: None

The motion passed unanimously.

B-5: CALAFCO Legislative Update

Mr. Fitzroy presented the item.

Chairperson Ochylski asked if the legislation precludes LAFCO from including indemnification as part of the application process.

Mr. Pierik replied that the legislation does not allow for indemnification for projects that are denied.

Commissioner Waage asked about support of the legislation.

Mr. Pierik clarified options for direction.

Commissioner Paulding asked about options during the present stage of the legislative process.

Mr. Pierik answered questions and provided comment.

Commissioner Paulding commented on legislation.

Mr. Pierik commented on the intent of the legislation.

Commissioner Paulding inquired about other options to protect LAFCO.

Mr. Pierik responded to questions and provided comment.

Commissioner Paulding asked what CALAFCO's position on the legislation is.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Ochylski provided comment.

Mr. Pierik provided comment.

Mr. Fitzroy provided comment regarding support of the legislation.

Commissioner Watson inquired about the indemnification process.

Mr. Pierik provided comment.

Chairperson Ochylski suggested supporting the original language in the letter.

Mr. Pierik suggested language for the letter.

Commissioner Arnold asked about support of the legislation.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Ochylski opened the item for public comment.

John Joyce, resident of Nipomo, requested the Commission oppose the change to the legislation.

Chairperson Ochylski closed public comment.

Chairperson Ochylski stated his preference for the alternative option proposed by **Mr. Pierik**.

Commissioner Watson made a motion to direct the Executive Officer to send a letter in opposition of the amended legislation and include the suggestion of a provision that allows for recovery if LAFCO prevails in a denial of an application.

Commissioner Arnold seconded the motion.

Commissioner Waage suggested adding language that suggests that the amended legislation is opposed to the original intent of LAFCO.

Commissioner Paulding stated his support of the motion.

Chairperson Ochylski asked for a roll call vote.

AYES: Commissioners Watson, Arnold, Enns, Paulding, Waage, Vice Chair Gregory, and Chairperson Ochylski

NAYS: None

ABSTAINING: None

The motion passed unanimously.

Closed Session

C-1: Public Employee Appointment Pursuant to Government Code Section 54957
Title: Legal Counsel

Conference with Labor Negotiators Pursuant to Government Code Section 54957.6
Agency Representative: Executive Officer
Unrepresented Employee: Legal Counsel

Chairperson Ochylski introduced the Closed Session item.

Chairperson Ochylski opened the item for public comment.

Ed Eby, resident of Nipomo, recommended that the Commission consider Colantuono, Highsmith & Whatley, PC.

Roland Haga, resident of San Luis Obispo, submitted an addendum to his Public Member Application to the Commission.

Chairperson Ochylski closed public comment and called the meeting into closed session at 10:33 AM.

At 11:09 a.m.; **Chairperson Ochylski** called the open session back into order.

Report on Closed Session: **Chairperson Ochylski** stated that there was no reportable action.

Commissioner Comments: None

Legal Counsel Comments: None

Executive Officer Comments: **Mr. Fitzroy** announced the tentative schedule for upcoming hearings.

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

11:11 a.m. until the next meeting of the Commission in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

Respectfully submitted,
Morgan Bing, LAFCO Analyst