



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
JANUARY 18, 2024, 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, January 18, 2024, by Chairperson Arnold 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 Debbie Arnold, Vice Chair Marshall Ochylski, Commissioners Robert Enns, Steve Gregory, Jimmy Paulding, and Ed Waage, and Alternate Commissioners Ed Eby and David Watson

Absent: Commissioner Heather Jensen and Alternate Commissioners Charles Bourbeau and Dawn Ortiz-Legg

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

Selection of the 2024 Chair and Vice-Chair

Chairperson Arnold asked for a motion to nominate a Chair for 2024.

Commissioner Waage nominated **Vice-Chair Ochylski** as Chair of the Commission for 2024.

Commissioner Enns seconded the motion.

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

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

NAYS: None

ABSTAINING: None

The motion was passed and **Vice-Chair Ochylski** assumed the role as Chair of the Commission.

Chairperson Ochylski asked for a motion to nominate a Vice-Chair for 2024.

Commissioner Waage nominated **Commissioner Gregory** as Vice-Chair of the Commission for 2024.

Commissioner Arnold seconded the motion.

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

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

NAYS: None

ABSTAINING: None

The motion was passed and **Commissioner Gregory** assumed the role as Vice-Chair of the Commission.

Presentation of a Certificate of Appreciation to Chair Debbie Arnold for her service as Chair

Chairperson Ochylski and **Mr. Fitzroy** presented **Commissioner Arnold** with a Certificate of Appreciation for her service as Chair in 2023.

Approval of the Minutes: October 19, 2023

Chairperson Ochylski announced the consideration of approval for the October 19, 2023, Regular Meeting Minutes.

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 minutes.

Commissioner Arnold motioned to approve the minutes.

Commissioner Paulding seconded the motion.

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

NAYS: None

ABSTAINING: Commissioner Watson

The motion was passed.

Non-Agenda Public Comment Period

Chairperson Ochylski opened the item for public comment.

Hank Krzciuk, resident of San Simeon, provided comment regarding San Simeon Community Services District's instability and the CSD's investigation of divestiture of water and wastewater service.

Commissioner Arnold inquired about future a discussion item regarding San Simeon Community Services District and the potential divestiture proposal.

Mr. Fitzroy responded that staff could return with a status report item regarding the matter to a future meeting agenda, if the Commission would wish to have a formal discussion.

Chairperson Ochylski directed staff to bring a San Simeon Community Services District Status Report item to the next Commission meeting.

Informational Matters

A-1: Notice of Petition of Landowner Application for LAFCO File No. 3-R-23 Sphere of Influence Amendment and Annexation No. 20 to Cayucos Sanitary District (Recommend Receive and File)

Ms. Bing presented the item.

Commissioner Watson inquired about the 60-day termination period.

Ms. Bing responded to questions and provided comment.

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

Commissioner Enns commented on the project and motioned to approve staff recommendation.

Vice-Chair Gregory seconded the motion.

Chairperson Ochylski conducted a voice-vote and the motion passed unanimously.

Regular Matters

B-1: LAFCO File No. 2-S-23 | Municipal Service Review and Sphere of Influence Study for Cambria Community Services District (Recommend Review and Approve)

Mr. Fitzroy and **Mrs. Marquez-Vawter** presented the item.

Chairperson Ochylski opened the item for Commissioner questions.

Commissioner Arnold asked about potential opportunities to increase water supply to the district.

Matthew McElhenie, General Manager of Cambria Community Services District, responded to questions and provided comment.

Commissioner Arnold inquired about potential supply associated with a water reclamation project.

Matthew McElhenie responded to questions and provided comment.

Commissioner Arnold asked about a potential desalination plant.

Matthew McElhenie responded to questions and provided comment.

Commissioner Arnold commented on the water waitlist.

Commissioner Waage asked if the district recommends reducing the Sphere of Influence.

Matthew McElhenie responded to questions and provided comment.

Commissioner Watson asked for clarification on wet and dry season water supply.

Matthew McElhenie responded to questions and provided comment.

Jim Green, Cambria CSD Utilities Department Manager, responded to questions and provided comment.

Chairperson Ochylski opened the item for public comment.

Hank Krzciuk, resident of San Simeon, provided comment related to the California Voting Rights Act.

Chairperson Ochylski closed public comment and opened the item for Commissioner questions.

Commissioner Enns inquired about landscape water supply.

Jim Green responded to questions and provided comment.

Commissioner Watson asked about LAFCO's role in making determinations.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Ochylski provided input regarding the determinations.

Commissioners Waage and **Paulding** agreed with **Chairperson Ochylski's** statement.

Commissioner Arnold commented on LAFCO's role.

Vice-Chair Gregory provided comment.

Commissioner Enns asked about Cambria CSD's current water meter policy.

Tristan Reaper, Cambria CSD Utilities Department Program Manager, and **Matthew McElhenie** responded to questions and provided comment.

Commissioner Waage motioned to approve staff recommendation for Action 1.

Commissioner Watson seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion was passed.

Commissioner Waage motioned to approve staff recommendation for Action 2.

Commissioner Paulding seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion was passed.

Commissioner Waage commented on Cambria CSD's Fire Department.

B-2: LAFCO File No. 1-S-23 | Municipal Service Review and Sphere of Influence Study for Avila Beach Community Services District (Recommend Review and Approve)

Mr. Fitzroy and **Ms. Bing** presented the item.

Chairperson Ochylski opened the item for Commissioner questions.

Commissioner Enns asked about the Sphere of Influence boundary.

Mr. Fitzroy responded to questions and provided comment.

Brad Hagemann, General Manager of Avila Beach Community Services District, responded to questions and provided comment.

Commissioner Arnold noted a typo on page 106 of the staff report and asked about the Sphere of Influence and private water mutual companies.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Watson asked about a service demand estimate within the Sphere of Influence.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Watson discussed removing the phrase “if needed” from the Sphere of Influence determinations on page 145 of the staff report.

Chairperson Ochylski agreed with **Commissioner Watson’s** comment.

Vice-Chair Gregory asked about consolidation with a private water mutual company.

Mr. Fitzroy responded to questions and provided comment.

Brad Hagemann responded to questions and provided comment.

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

Commissioner Watson motioned to approve staff recommendation for Action 1.

Vice-Chair Gregory seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion was passed.

Commissioner Watson motioned to approve staff recommendation for Action 2 with the amendment of removing the words “if needed” from page 145 of the staff report.

Vice-Chair Gregory seconded the motion.

Brad Hagemann provided comment.

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

NAYS: None

ABSTAINING: None

The motion was passed.

B-3: Second Quarter Fiscal Year 2023-2024 Budget Status and Work Plan Report (Recommend Review and Approve)

Mr. Fitzroy presented the item.

Chairperson Ochylski opened the item for Commissioner questions, hearing none.

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

Commissioner Arnold motioned to approve staff recommendation.

Vice Chair Gregory seconded the motion.

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

NAYS: None

ABSTAINING: None

The motion was passed.

Commissioner Comments:

Commissioner Waage proposed to direct staff to bring an annual closed session item for legal counsel performance evaluation, commencing with the following meeting.

Commissioners concurred.

Legal Counsel Comments: None

Executive Officer Comments: **Mr. Fitzroy** provided comment regarding future commission meetings and provided updates on Commissioner elections.

Adjournment: With no further business before the Commission, the meeting adjourned at 11:01 a.m. until the next meeting of the Commission in the Board of Supervisors Chambers at the County Government Center in San Luis Obispo.

THESE MINUTES ARE NOT OFFICIAL NOR ARE THEY A PERMANENT PART OF THE RECORD UNTIL THEY ARE APPROVED BY LAFCO COMMISSIONERS AT THE NEXT REGULAR MEETING.

Respectfully submitted,
Morgan Bing, LAFCO Clerk Analyst

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