



**SAN LUIS OBISPO
LOCAL AGENCY FORMATION COMMISSION
JUNE 18, 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, June 18, 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, Dawn Ortiz-Legg, and Alternate Commissioner John Joyce

Absent: Commissioner Ed Waage, and Alternate Commissioners Michael Drazee, Bruce Gibson, and Carla Wixom

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

Approval of the Minutes: May 21, 2026

Chairperson Moreno announced the consideration of approval of the May 21, 2026, Regular Meeting Minutes.

Chairperson Moreno asked for Commissioner comments, announcing that it was closed shortly after hearing none.

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

Chairperson Moreno asked for a motion to approve the minutes.

Commissioner Fardanesh motioned to approve the minutes.

Commissioner Gregory seconded the motion.

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

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Non-Agenda Public Comment Period

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

CALAFCO Workshop Update

Chairperson Moreno invited **Mr. Fitzroy** to present the item.

Mr. Fitzroy gave a briefing on topics discussed at the 2026 CALAFCO Staff Workshop.

Regular Matters

A-1: Municipal Service Review Program and Sphere of Influence Study Overview

Chairperson Moreno invited **Mr. Fitzroy** to present the item.

Chairperson Moreno inquired about how potential policies, such as a remediation policy, could change the outcome of a Municipal Service Review (MSR).

Mr. Fitzroy responded to questions and provided comment.

Chairperson Moreno inquired about the adoption of an MSR.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Ortiz-Legg inquired about study sessions.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Moreno opened the item for Commissioner questions and comments.

Commissioner Gregory inquired about options for staff in preparing recommendations for the Commission with regard to remediation periods.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Gregory inquired about the dissolution process.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Fardanesh inquired about sphere of influence options when an agency is considering dissolution.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Fardanesh inquired about dissolution options and timelines.

Chairperson Moreno responded to questions and provided comment.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Fardanesh inquired about alternative options that could have been explored for the proposed dissolution of the San Simeon Community Services District .

Mr. Fitzroy responded to questions and provided comment.

Commissioner Ortiz-Legg provided comment and examples of when study sessions may be helpful.

Vice Chair Watson inquired about how to identify successor agencies.

Mr. Fitzroy responded to questions and provided comment.

Vice Chair Watson provided comment on adopting MSRs.

Chairperson Moreno inquired about policies and options to consider when adopting an MSR.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Moreno inquired about adding conditions of approval for MSRs.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Ortiz-Legg provided comment regarding when to consider bringing a study session.

Mr. Fitzroy provided comment.

Vice Chair Watson provided comment regarding MSR policies and procedures.

Chairperson Moreno opened the item for public comment and invited **John Joyce** to speak.

John Joyce, LAFCO Alternate Special District Commissioner, provided comment.

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

Commissioner Eby inquired about LAFCO's authority in selecting the successor agency.

Ms. Whatley responded to questions and provided comment.

Commissioner Gregory inquired about the State of California as a possible successor agency.

Ms. Whatley responded to questions and provided comment.

Commissioner Ortiz-Legg provided comment on external factors.

Chairperson Moreno provided comments summarizing proposed policy changes.

Commissioner Fardanesh inquired about sphere of influence expansions and how they would be affected by policy changes.

Commissioner Ortiz-Legg responded to questions and provided comment.

Mr. Fitzroy responded to questions and provided comment.

Commissioner Gregory provided comment regarding study sessions.

Vice Chair Watson inquired about the proposed severity framework.

Mr. Fitzroy responded to questions and provided comment.

Chairperson Moreno called the meeting into recess at 10:22 am.

Chairperson Moreno called the meeting back into order at 10:31 am.

Mr. Fitzroy provided a summary of policies to be brought forward at a future meeting for consideration by the Commission.

Chairperson Moreno noted that this item is to be received and filed as an informational report on statutory requirements for Municipal Service Reviews and Sphere of Influence Studies, LAFCO's authority, available tools to address issues, and potential policy solutions.

A-2: Budget Adjustment to Fiscal Year 2025-2026 Budget for Refund Related to Dana Reserve Specific Plan Litigation

Mr. Fitzroy presented the item.

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

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

Chairperson Moreno opened the item for Commissioner questions and comments.

Vice Chair Watson made a motion in support of the staff recommendation for Item A-2: Adopt a Resolution approving a Fiscal Year 2025-26 budget adjustment.

Commissioner Ortiz-Legg seconded the motion.

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

NAYS: None

ABSTAIN: None

The motion passed unanimously.

Commissioner Comments:

Commissioner Fardanesh provided comment regarding Templeton Community Services District's anniversary celebration. **Commissioner Gregory** provided comment regarding the City of Paso Robles' July 4th celebration.

Legal Counsel Comments:

None.

Executive Officer Comments:

Mr. Fitzroy provided updates on the Special District Alternate Seat election results, as well as July and August meeting cancellations.

Adjournment: With no further business before the Commission, the meeting adjourned at 10:38 AM 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 Analyst