



BUSINESS ACTION ITEM STAFF REPORT

ITEM 6A ADOPTION OF RESOLUTION 24-483. DISCUSS, REVIEW, AND ADOPT A RESOLUTION EXTENDING THE WATER, SEWER, AND SERVICE ALLOCATIONS WAIT LIST AND EXTENDING THE CURRENT ISSUED WILL SERVE LETTERS.

Summary:

The San Simeon Community Services District (“District”) Board of Directors (“Board”) approved Ordinance No. 115 on November 12, 2014, defining a “wait list” as the list established by the District setting forth water and sewer allocations on parcels that are not active service or non-active service commitments. Ordinance No. 115 further stated that a wait list would be adopted by resolution of the District Board and may be amended from time to time as set forth in the resolution.

The District Board approved Resolution No. 20-426 on October 14, 2020, establishing a wait list for water, sewer, and service allocations (“Wait List”). Resolution No. 20-426 also stated that the Wait List may be amended from time to time by District staff, including but not limited to adding to the Wait List or removing a property from the wait list when a removal request is made by the property owner.

The District adopted a Resolution of Application for Dissolution during the District Board meeting on May 2, 2024, and the District has since submitted a dissolution application to the San Luis Obispo Local Agency Formation Commission. The District’s proposal for dissolution would dissolve the District, and the services provided by the District and management, administration, operations, and financial responsibilities would be transferred to the County of San Luis Obispo. The proposed resolution extends the current Wait List throughout the dissolution process. In addition, since the District has issued will serve letters to some property owners, the proposed resolution extends the current issued will serve letters throughout the dissolution process. The proposed resolution does not make any amendments to the current Wait List, does not amend the current issued will serve letters, and does not issue any new will serve letters.

For the District Board meeting on June 6, 2024, a proposed resolution was prepared that would have extended the Wait List pending the outcome of the District’s dissolution proceedings, in addition to establishing a Wait List Deposit Refund Policy. However, the current Wait List was not attached to the meeting agenda. Further, during the District

Board meeting, concerns were raised about extending the wait list without simultaneously extending will serve letters that have already been issued by the District. As a result, the proposed resolution was bifurcated during the District Board meeting on June 6, 2024, and the proposal to extend the Wait List pending the outcome of the District's dissolution proceedings was neither heard nor voted on.

The proposed resolution for the District Board meeting on July 11, 2024, extends the current Wait List during the dissolution process. In addition, the proposed resolution extends any will serve letters that have already been issued by the District and extends any expiration or sunset dates in any issued will serve letters for the duration of the dissolution process. The proposed resolution makes no changes to the current Wait List or will serve letters and simply maintains the status quo pending the outcome of the District's dissolution application.

Board Actions:

1. The Board may approve the Resolution Extending the Water, Sewer, and Service Allocations Wait List and Extending the Current Issued Will Serve Letters.
2. The Board may approve the Resolution Extending the Water, Sewer, and Service Allocations Wait List and Extending the Current Issued Will Serve Letters, subject to any changes as directed by the Board.
3. The Board may reject the Resolution Extending the Water, Sewer, and Service Allocations Wait List and Extending the Current Issued Will Serve Letters in its entirety.

Attachments:

1. Resolution.
2. Current Wait List.
3. Ordinance No. 115.
4. Resolution No. 20-426.