

# LAFCO MEMORANDUM

## ***SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION***

105 East Anapamu Street • Santa Barbara CA 93101 • (805) 568-3391 + Fax (805) 568-2249

October 5, 2023 (Agenda)

TO: Each Member of the Commission

FROM: Mike Prater  
Executive Officer

SUBJECT: Report on Los Olivos Community Services District

*This is an Informational Report. No Action is Necessary*

### DISCUSSION

At the April 6, 2023 meeting, the Commission granted a request from the Los Olivos Community Services District for a Two-Year Extension from the Effective Date of Formation, which will run through April 6, 2025 to complete the Proposition 218 assessment district process.

The condition of formation is set forth in Paragraph B(vii) is as follows: **"The District shall implement a Proposition 218 assessment within one year of the effective date as necessary to fund the wastewater treatment facilities for the area, including CEQA and other planning analysis, assessment study and necessary election. Santa Barbara LAFCO may otherwise extend such deadline, or other LAFCO approved arrangements are made for funding such construction."**

The District's July agenda packet explains the Board of Directors current status at 30% of Design and September Technical subcommittee hybrid approach to be able to begin the Proposition 218 assessment process. The District will give a status update presentation.

As a condition of the time extension, the Commission requested periodic updates from the District on the update process. The District's General Manager has submitted the most recent update provided to the residents that summaries the accomplishments.

### Attachments

Attachment A – Los Olivos CSD Update July 2023 Report & September Update Presentation

Attachment B – Los Olivos CSD Update October Presentation

Please contact the LAFCO office if you have any questions.

**INFORMATIONAL ITEM No. 1**

**Thomas Fayram, President**  
**Brad Ross, Vice President**  
**Julie Kennedy, Director**  
**Lisa Palmer, Director**  
**Greg Parks, Director**



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## DISTRICT UPDATE JULY 2023

The Los Olivos Community Services District (LOCS D) continues to methodically evaluate technical approaches, obtain cost estimates, gather information, and pursue grant opportunities for feasible community wastewater treatment solutions. This quarterly update includes information on:

- Technical Solutions Under Consideration
- LOCS D 2023-24 Budget
- Groundwater Monitoring Wells
- Adding Transparency Through Subcommittees
- Wastewater Treatment Solutions
- County of Santa Barbara Housing Element Update

The LOCS D Board is steadfast in its commitment to implementing a cost-effective wastewater treatment solution that benefits all LOCS D residents, property owners, and our business community. Any final wastewater treatment and water reclamation solution put forth by the Board will be the result of significant community conversations and input and is subject to a vote by District property owners in accordance with Proposition 218.

### **Los Olivos Community Services District – Collection, Treatment, and Disposal**

You may recall, at the [January 2023 workshop](#), community members stated a clear preference about wastewater disposal options. Attendees overwhelmingly said they would like to see subsurface percolation chambers, coupled with reuse, for final disposal of our wastewater. This helps us define what level of treatment is required prior to disposal. At that same meeting, there was significant discussion about collection and treatment. While attendees at the meeting expressed that cost should be the highest consideration when selecting solutions, no specific front-runners were clearly identified for collection or treatment.

Recently, your [District Technical Subcommittee](#) has been looking at hybrid solutions for collection and treatment, and reexamining our view of implementation zones. The subcommittee has [developed an approach](#) that would combine both traditional gravity-fed collection, Septic Tank Effluent Pumping (STEP) collection and treatment, and advanced on-site treatment solutions.

Under the Technical Subcommittee's approach, gravity-fed collection would be used in commercial areas and smaller lots in the District. Larger lots, which are further away from downtown or that are on the west side of Alamo Pintado Creek, would be evaluated for either STEP treatment and collection or advanced on-site treatment. At our upcoming Thursday, August 24 meeting, it is anticipated that a review of the approach by the full Board of Directors could lead to a contract with a wastewater consultant who will further examine the plan for feasibility, appropriateness, alternatives, and cost.

While the District has mostly focused on Membrane Bioreactor (MBR) treatment solutions due to their compact size and relatively low costs, the Technical Subcommittee has discussed looking at alternative solutions raised during public comment and a potential revisit of connecting to the Solvang treatment facility to better understand the potential costs and tradeoffs.



Prior to the two wells we installed last November, no testing was consistently performed on the shallow groundwater aquifer within the LOCSD boundaries for more than 30 years. These wells are expensive, each costing the District \$75,000 to install. The water quality sample test results from our two groundwater monitoring wells in January were as follows:

- Well #1 (MW-1) reported “nitrate as N” at 2.6 mg/L (12 mg/L as N03)
- Well #2 (MW-2) reported “nitrate as N” at 10 mg/L (45 mg/L as N03)

The “nitrate as N” maximum contaminant level (MCL) for drinking water in the State of California is 10 mg/L. This means that MW-1 was below MCL, while MW-2 was right at MCL.

Measurements of the depths of water in the shallow groundwater aquifer were completed by the County in May to assess the impact of last winter’s storms. Groundwater was encountered more than 40 feet closer to ground surface than last November’s samples. Water was encountered around 44 feet below ground surface for MW-1, while water was encountered just 29 feet below ground surface for MW-2. To learn more about our groundwater monitoring wells, visit:

<https://www.losolivoscsd.com/district-drills-two-groundwater-monitoring-wells>

### **Reconstituting Subcommittees to Increase Transparency**

Also at the July 12 meeting, your Board made all of its existing ad hoc subcommittees standing committees. Previously, the technical, project management, and grant subcommittees were treated as ad hoc committees. While ad hoc subcommittees are temporary and more nimble than standing committees, your Board of Directors wanted to ensure that there was as much transparency as possible and full compliance with Brown Act requirements as we move towards a Proposition 218 vote. If you are interested in attending any of these meetings, please reach out to the District’s General Manager at [gm.locsd@gmail.com](mailto:gm.locsd@gmail.com) and he will add you to a mailing list to ensure you receive agendas for all of our upcoming Brown Act meetings.

### **A Reminder About Wastewater Treatment Processes – Collection, Treatment, and Disposal**

As has been discussed in previous updates, the wastewater treatment process can be simplified into three basic processes: **collection, treatment, and disposal**. These same three processes are currently used at different scales and complexity by individual properties with septic tanks, small systems such as the ones installed at Dunn and Mattei’s Tavern, and municipal systems such as the one operating in Solvang.

With your septic tank, collection is a short pipe that leads from your house to your septic tank. Treatment includes the solids separation and bacterial decomposition processes that occur in your septic tank. Final treatment and disposal occur as wastewater is moved through your tank into a leach field or drywell and absorbed into the soil on your property. Note that wastewater flowing through your septic tank is only minimally treated. It is the soil absorption that removes much, but not all, of the harmful contaminations before they reach our groundwater. Septic tank wastewater often contains harmful bacteria, viruses, and nutrients that could make you sick if it comes into direct contact with drinking water.

Systems such as the ones at Dunn or Mattei’s Tavern have a more complex collection system than an individual septic tank. These collection systems have numerous pipes that gather waste from different buildings and channel them, often through gravity, to a centralized treatment facility on their property. The centralized treatment facility is also more complex than your septic tank. For example, the system operated by Dunn uses a series of engineered textile media (essentially filters) to treat wastewater, thereby producing water that is over 95% cleaner than the wastewater that entered the system. Disposal then occurs using what is essentially a very large leach field. Similar to septic tank disposal, wastewater from these types of system contains bacteria, viruses, and nutrients that could make you sick if it were to

come into direct contact with your drinking water. It is important to note that wastewater from these systems can be additionally treated to allow it to be used for landscape irrigation and other situations that do not require potable water. When wastewater is used for landscape irrigation, it travels through a purple pipe system that helps to delineate the difference between treated wastewater (non-potable) and water that is safe to drink (potable).

In larger municipal systems like Solvang, the collection and treatment of wastewater is much more complex than either your septic tank or the comparably smaller system at Dunn. As with smaller systems, the collection of wastewater from homes and businesses is through a series of pipes. The pipes from homes and businesses, regularly referred to as “laterals,” are owned by the property owner until the point where they are connected to the city’s pipes. Wastewater travels through the city’s pipes to its treatment facility. Depending on topology, the city’s collection system may need to use pumps or lift stations to “lift” the wastewater uphill where it can again flow via gravity or be pressurized to eventually get it to the treatment facility. The Solvang treatment plant is capable of processing 1.5 million gallons per day (MGD). The plant provides secondary treatment of wastewater and disposes treated wastewater through percolation ponds that are located adjacent to the plant. To learn more about the Solvang plant, visit their website at: <https://www.cityofsolvang.com/165/Wastewater-Division>

### **More on Treatment and Disposal**

Once at a treatment plant, wastewater often goes through four steps before disposal:

1. Preliminary treatment (where screens are used to separate large and medium-sized solids)
2. Primary treatment (where gravity is used to separate and remove smaller solids)
3. Secondary treatment (where biological processes remove organic matter and nutrients such as nitrogen, and additional gravitational settling occurs), and
4. Tertiary treatment (an optional step that uses UV light, chemicals or other approaches to eliminate pathogenic agents such as fecal bacteria so that the wastewater can be reused for landscape irrigation and, in some cases, used for human activity).

As noted previously, tertiary treatment is an optional step and, depending on discharge requirements, it is very common for wastewater treatment to end after the secondary treatment step. For example, treatment for the City of Solvang stops after secondary treatment and they then use percolation ponds for disposal of the treated wastewater. As we heard at our [January workshop](#), there are many disposal approaches that can be used. Depending on the level of treatment completed by a municipality, disposal options can include subsurface discharge (injection wells or chambers), reuse (purple pipe for landscaping and crops), direct release into surface waters such as a riverbed, and in other manners. The pros and cons of disposal approaches considered by the LOCS D can be found in the Effluent Disposal Study completed last December. The study is located on the District’s website at: <https://www.losolivoscsd.com/files/38814b37d/Effluent+Disposal+Alternatives+Evaluation+v4+2022.12.14.pdf>

### **County of Santa Barbara Housing Element Update**

Have you ever wondered how plans for future growth and construction of housing are completed? The process starts with the State of California who identifies needs and objectives for housing for every Californian as a “matter of vital statewide importance and a priority of the highest order” (Government Code Section 65580). This objective has become increasingly urgent in recent years as communities across the state, including Santa Barbara County, struggle to meet the housing needs of all of their residents.

State housing element law, established in 1969, recognizes that in order for the private market to adequately address housing needs and demand, local governments, including the County of Santa Barbara,

must adopt land use plans and regulatory systems that provide opportunities for housing production within their jurisdictions. All cities and counties must meet their “fair share” of regional housing needs, which are determined by the California Department of Housing and Community Development (State HCD) through a Regional Housing Needs Allocation (RHNA) for every housing element planning period. For the current planning period, State HCD assigned a RHNA of 24,856 total new housing units to our county. The Santa Barbara County Association of Governments, for the 2023-2031 planning period, has allocated 5,664 of these units to unincorporated areas of the county.

So, why is the County’s Housing Element Update part of the District’s Update? As we look at wastewater solutions, we too must think about and plan for potential additional wastewater generation from future construction in our community over the coming decades. While no specific RHNA number is assigned to Los Olivos, we know that some of the housing units will be built in or around our District. These units, which could include accessory dwelling units (ADUs), affect our plans for wastewater treatment collection and treatment. If you are interested in seeing the full County of Santa Barbara Housing Element Update, visit: <https://www.countyofsb.org/3177/Housing-Element-Update>

**ABOUT THE DISTRICT:** The [Los Olivos CSD](#) was formed by voters in 2018 to give Los Olivos residents and property owners within the district local control over how to provide a funding mechanism for the construction and operation of the facilities needed to collect, treat, and dispose of sewage, wastewater, and recycled water in Los Olivos.

**Stay Informed:** I hope you are attending our monthly meetings in person or virtually to stay current with our information gathering efforts and future deliberations about the best solution for Los Olivos. This is the most effective way for you to stay informed, to ask questions and get answers, and to ensure your ideas and concerns are heard. We post video of all meetings on our website should you be unable to attend a meeting in person.

Check the District’s Website for meeting agendas and materials at [losolivoscscsd.com](https://www.losolivoscscsd.com).

Visit <https://www.losolivoscscsd.com/subscribe> to sign up for email updates. Please encourage your neighbors, property owners and other interested community members to sign up as well.

If you have any questions about our District’s efforts, please contact Guy Savage, General Manager, at [gm.locsd@gmail.com](mailto:gm.locsd@gmail.com) or call him at (805) 500-4098.

**ITEM 7 – TECHNICAL SUBCOMMITTEE HYBRID APPROACH  
PRESENTATION**

**TECHNICAL SUBCOMMITTEE HYBRID APPROACH PRESENTATION**

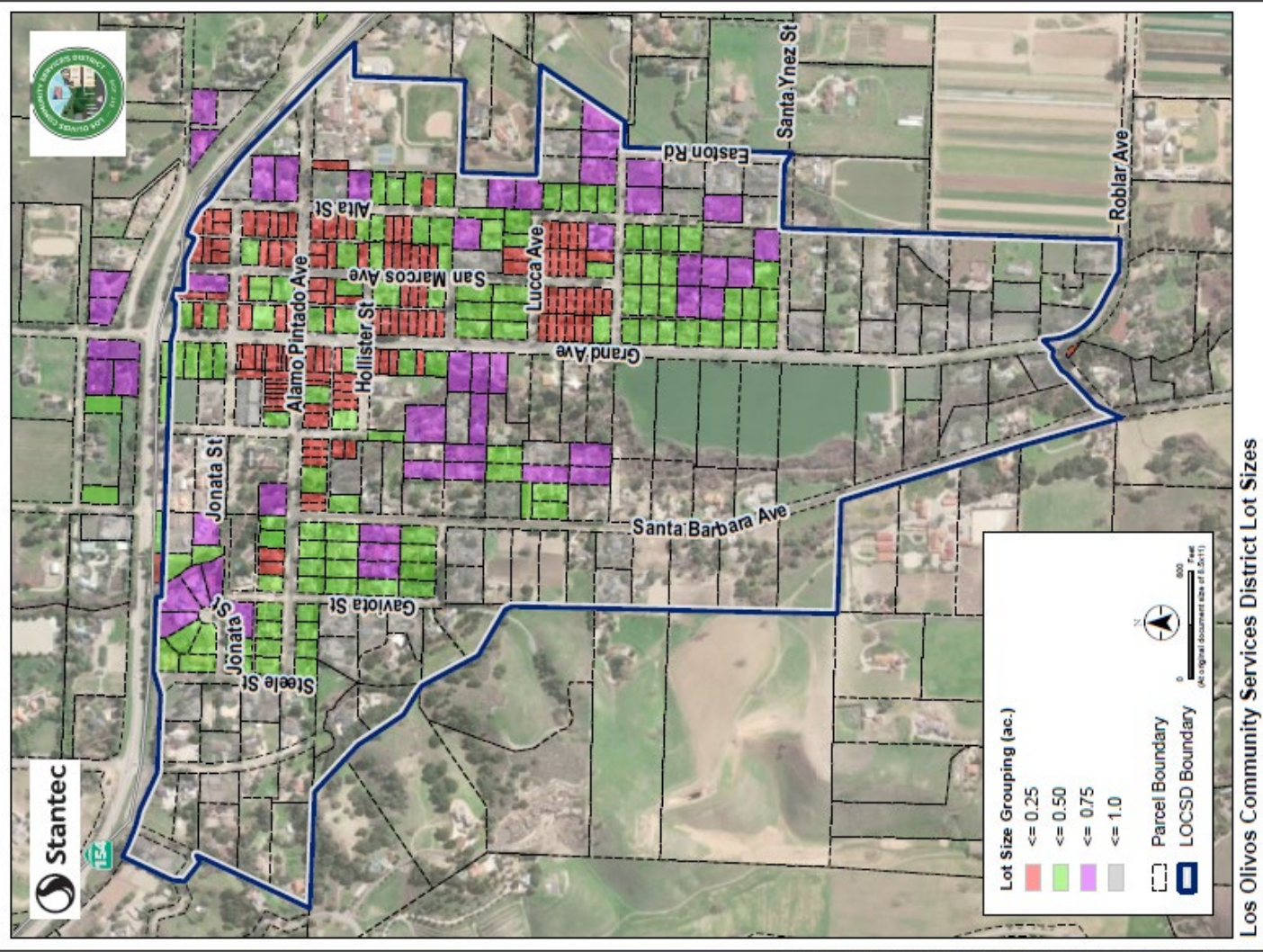
# A Hybrid Approach for Los Olivos Community Services District

A look at collection and zones  
by the Technical Subcommittee





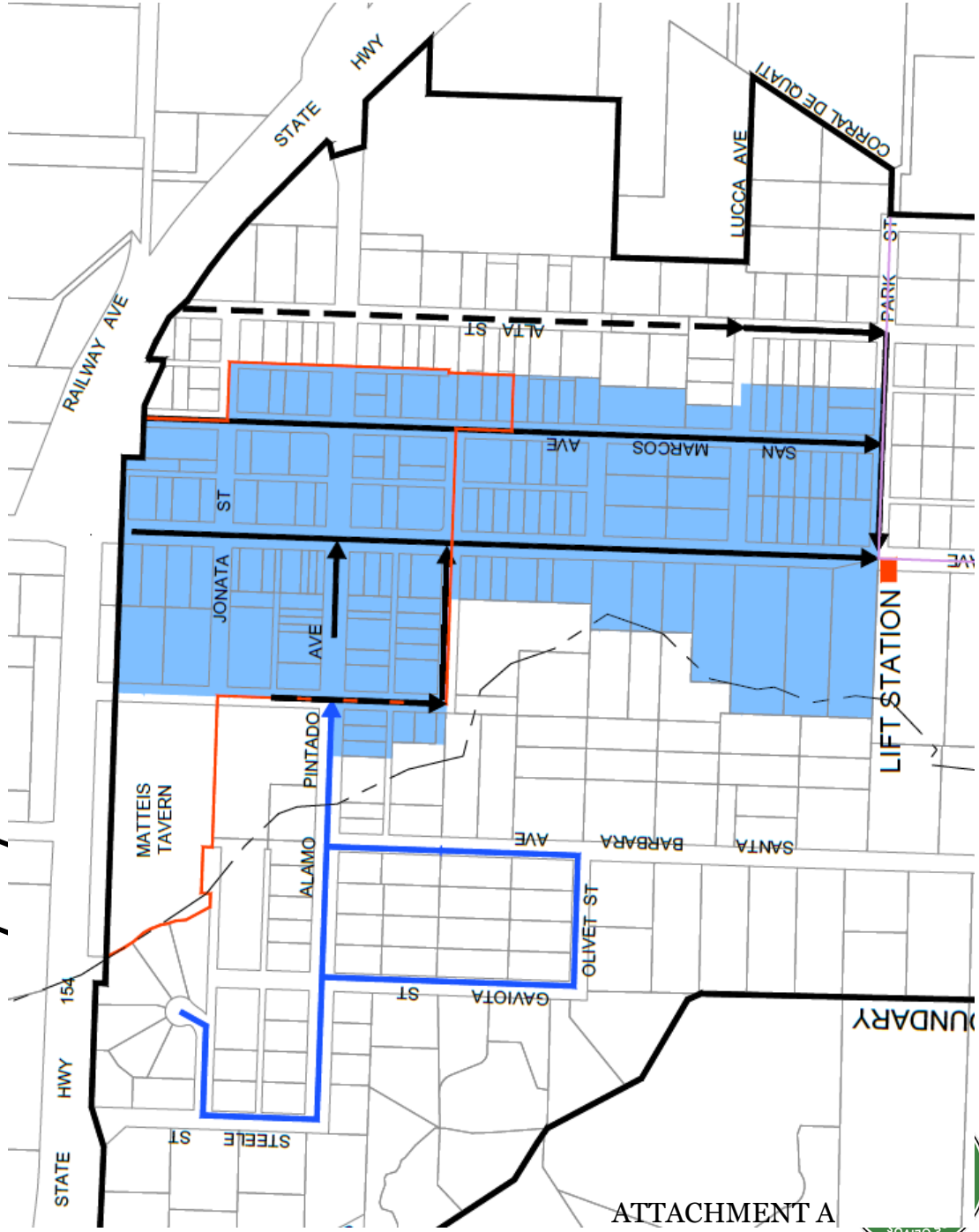
# Lot Sizes (from May meeting)



Los Olivos Community Services District Lot Sizes

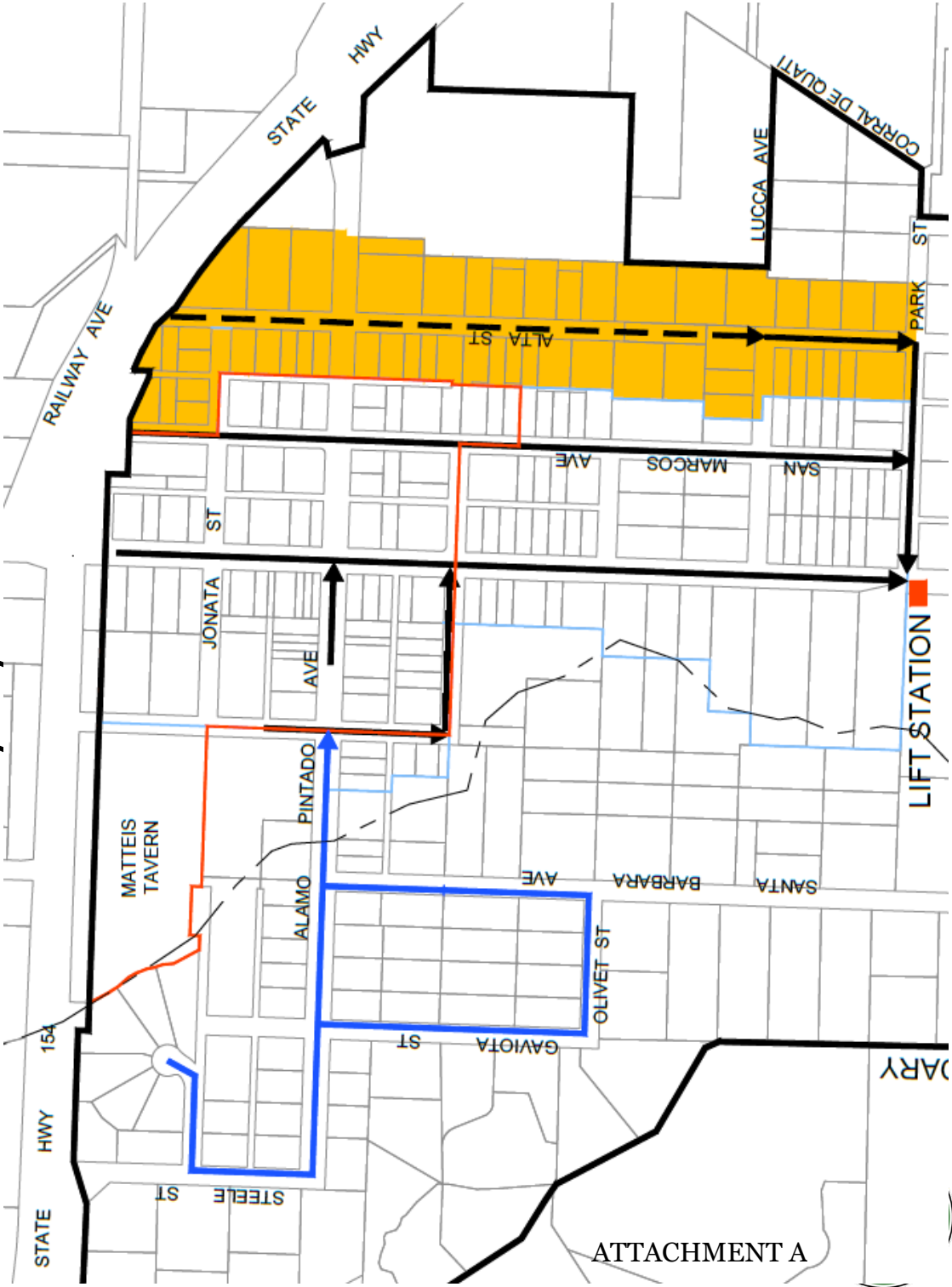


# Zone 1 - Downtown Core and Small Lots - Gravity system to Lift Station



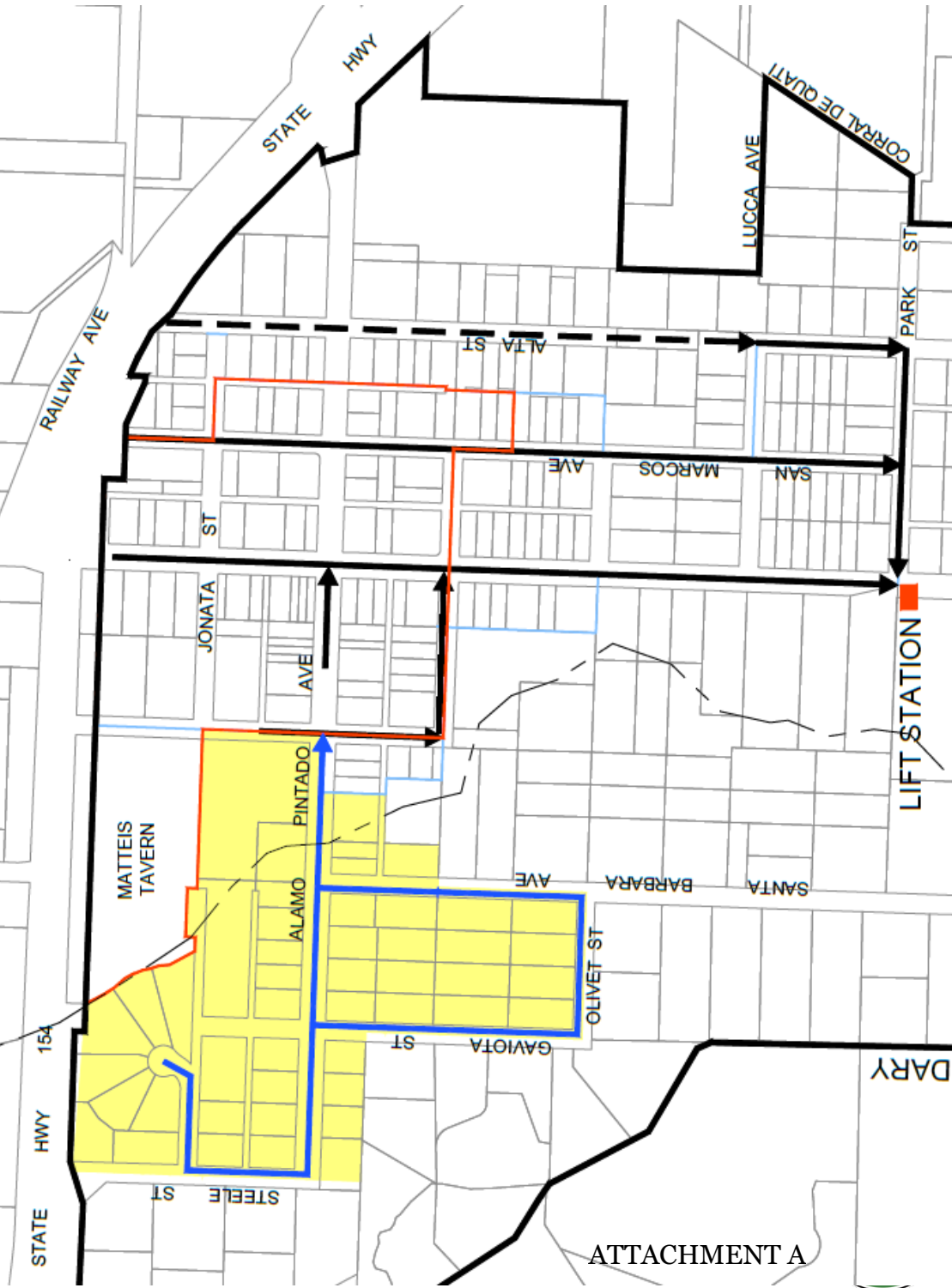
ATTACHMENT A

# Zone 2 - Adjacent Residential Areas to the East - Gravity system to Lift Station



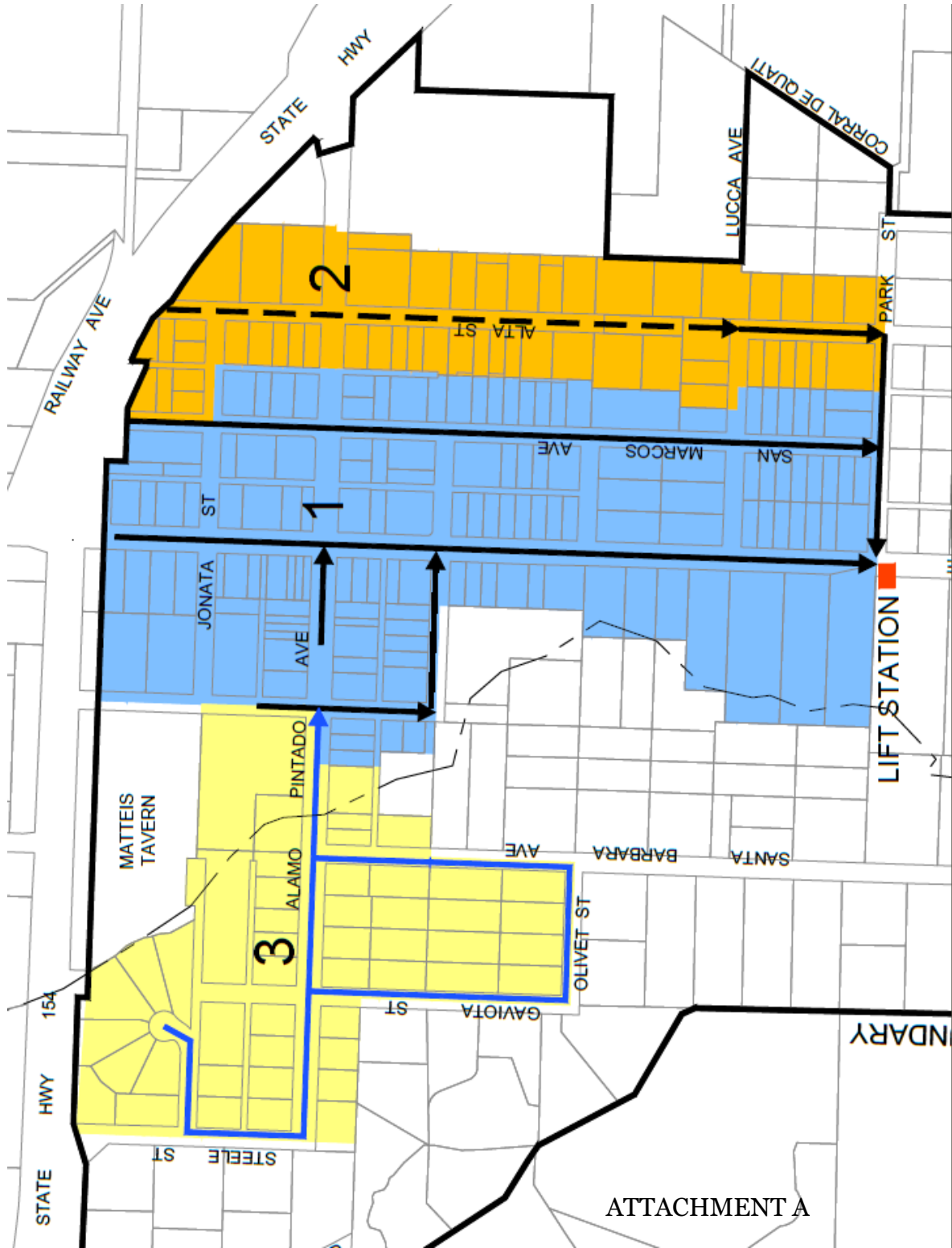
ATTACHMENT A

# Zone 3 - Residential areas to Northwest - STEP collection system to gravity system of Zone 1



ATTACHMENT A

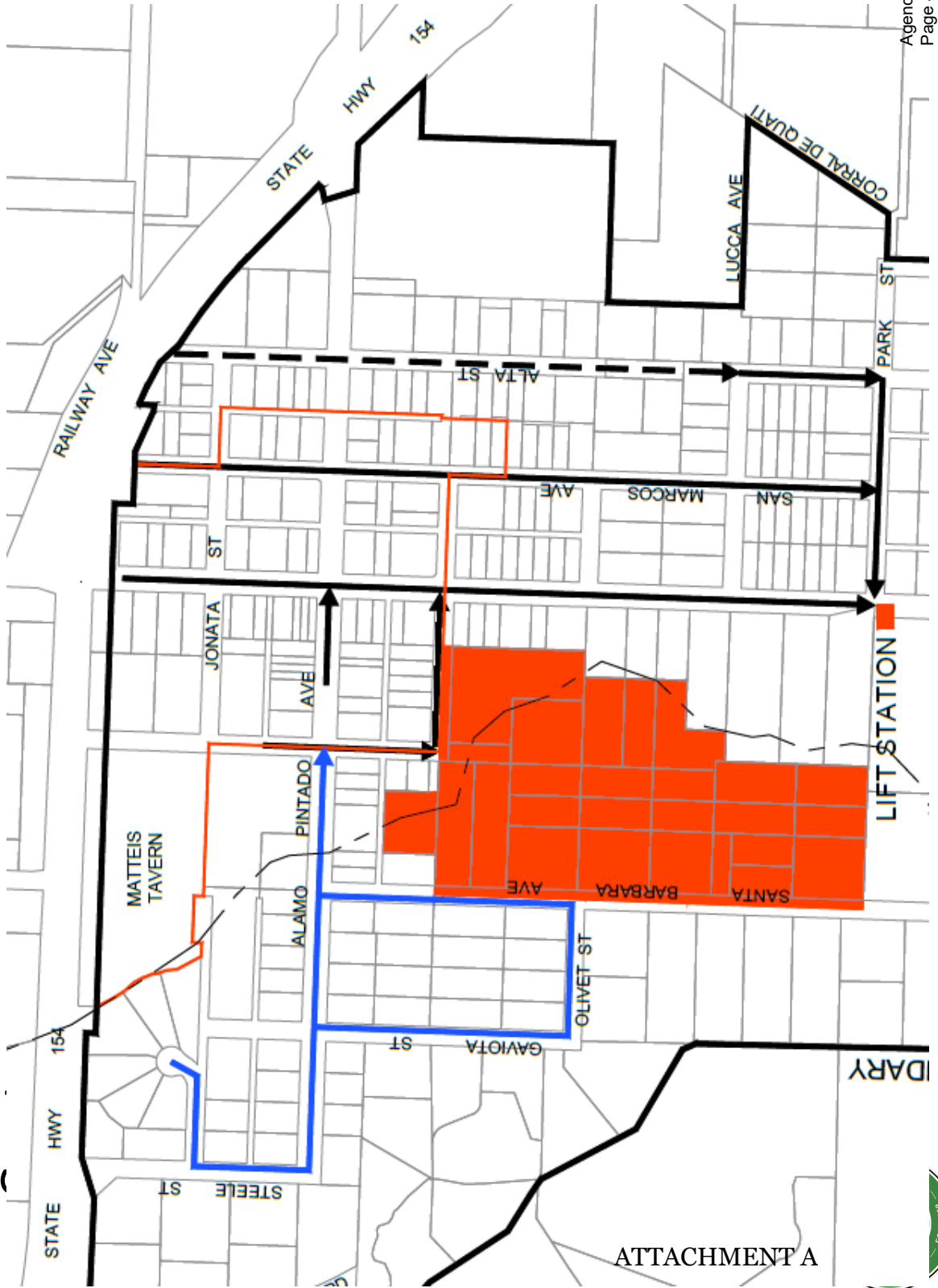
# Zones 1-3



- GRAVITY MAIN (dashed black line with arrow)
- GRAVITY MAIN (solid black line with arrow)
- STEP MAIN (solid black line with arrow)
- COMMERCIAL BOUNDARY (solid blue line)



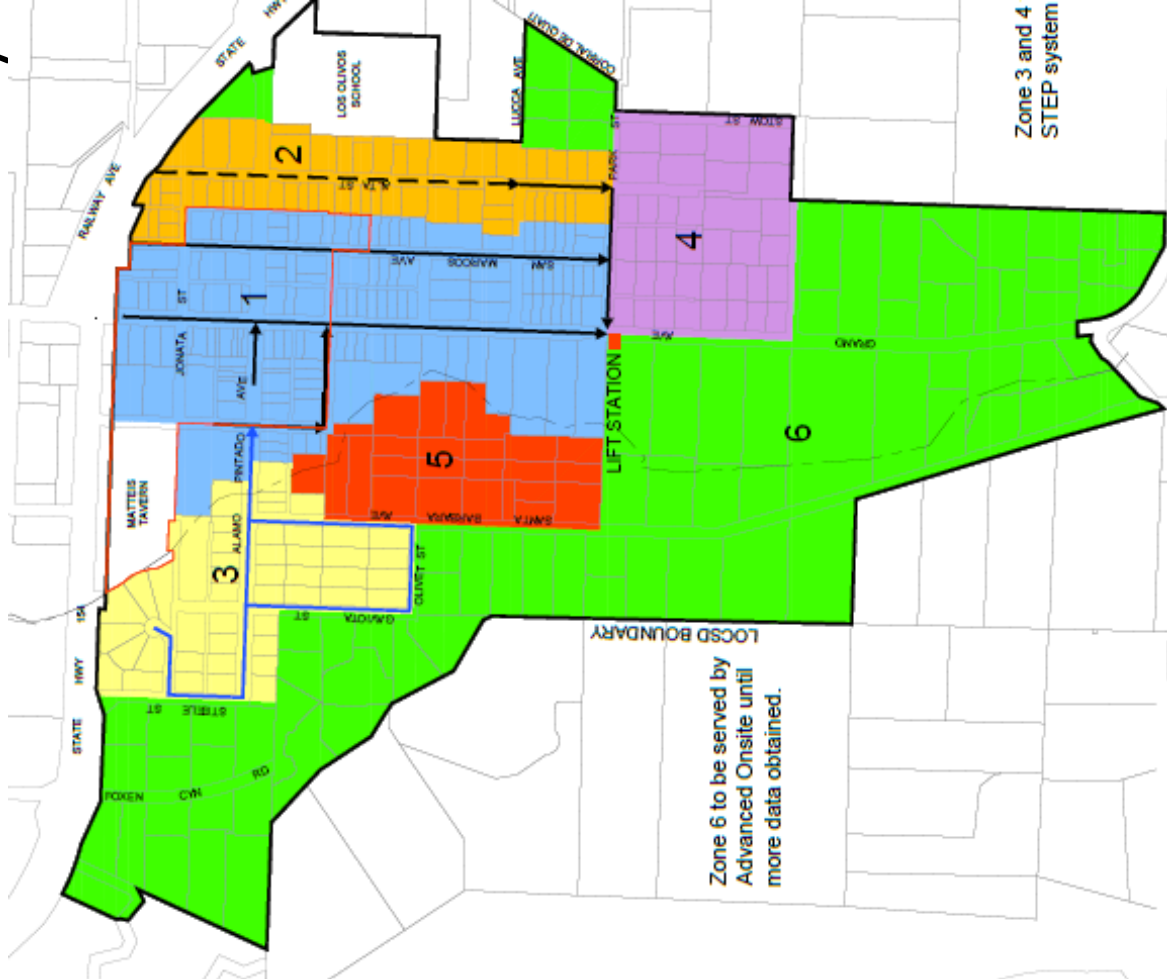
# Zone 5 - STEP System to Join Zone 3



- GRAVITY MAIN
- - - GRAVITY MAIN
- STEP MAIN
- COMMERCIAL BOUNDARY
- ALAMO PINTADO CREEK



# Zone 6 - "Remainder of District" Served by Individual Advanced Onsite Systems

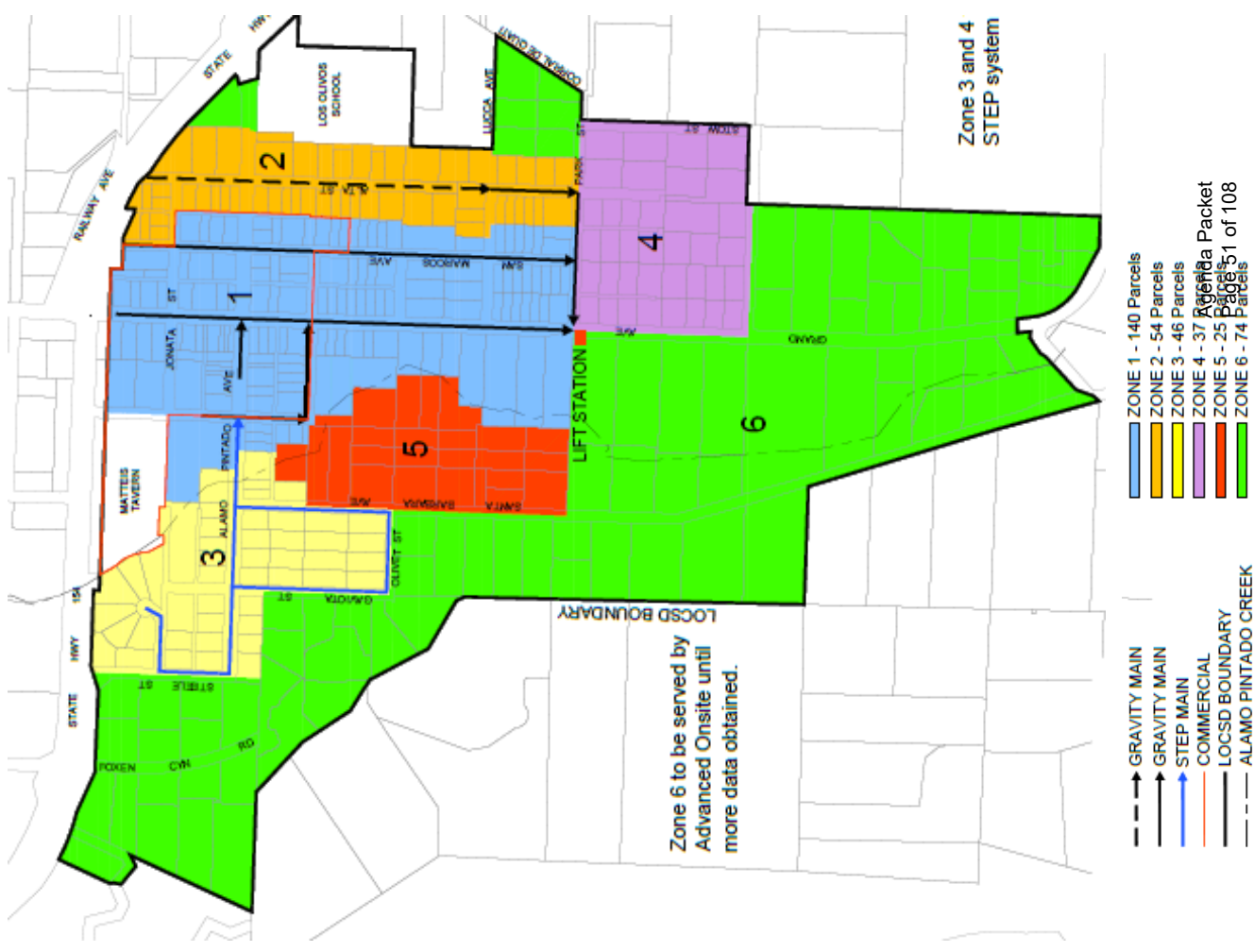




# Considerations

- The number of zones within implementation phases will depend on Grant Funding
- The use of individual Advanced Onsite Systems in Zone 6 is expected to be limited to 30-50 years
- Inclusion of Los Olivos School and the Matties complex to be determined

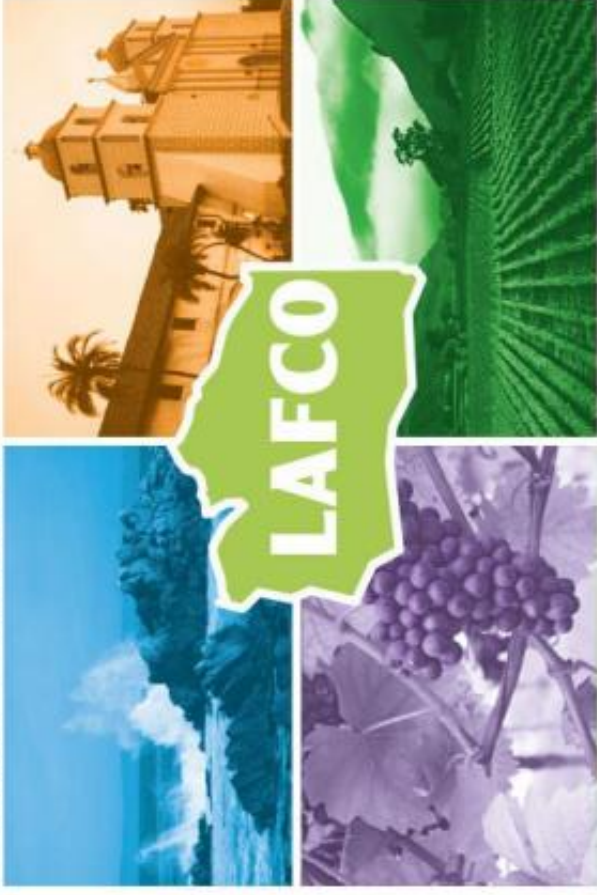
ATTACHMENT A



# Los Olivos Community Services District



**Santa Barbara**



**Tom Fayram, President**  
**Guy Savage, General Manager**

**October 5, 2023**

ATTACHMENT B



# THE DISTRICT

376 Parcels

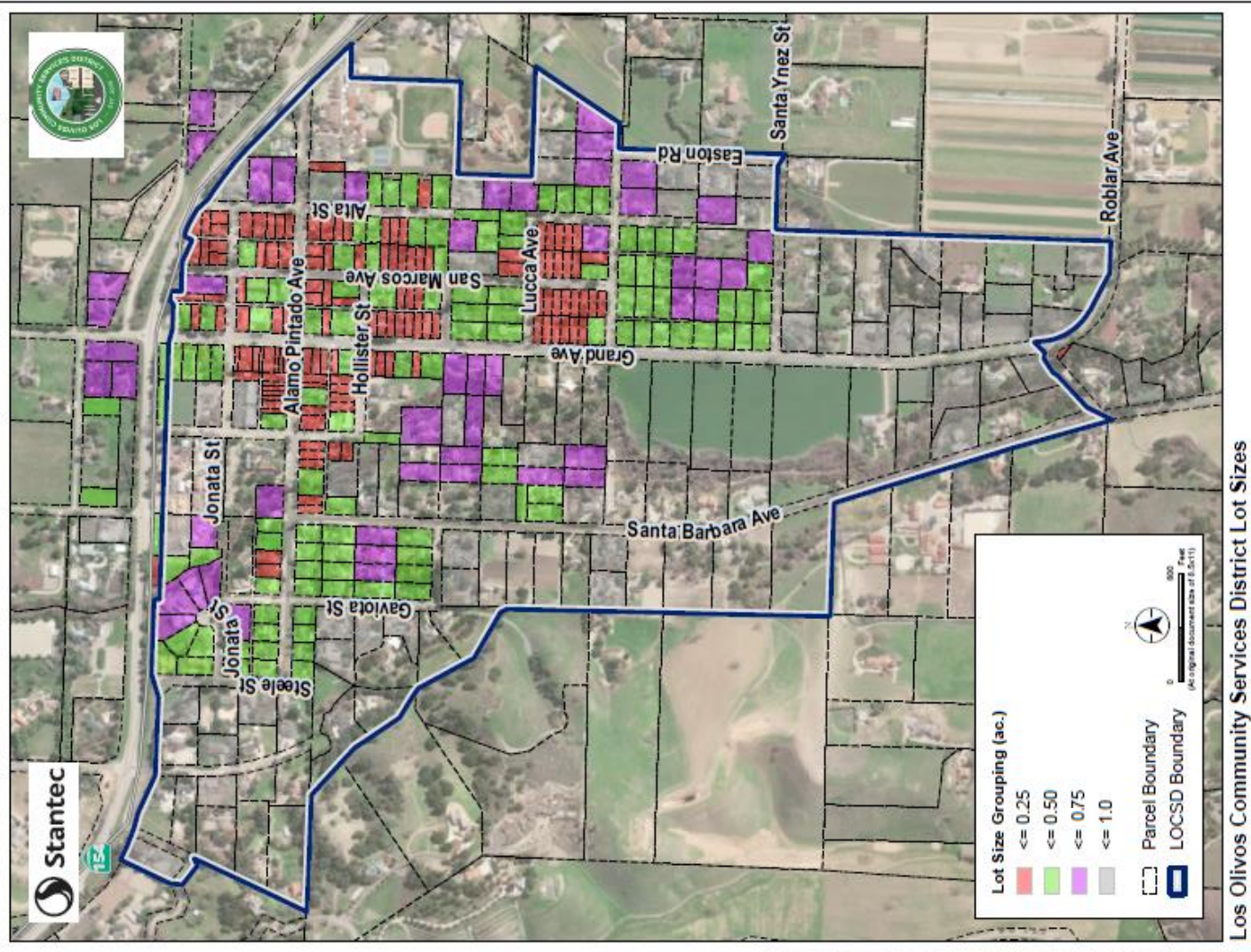
~40 Commercial

~336 Residential

Annual Budget

(FY 2023-24)

\$227,650



# Community Input for Successful Prop 218



## Focus on (prioritized order):

- Cost (Construction and O&M)
- Ownership (District / Individual)
- Plant Location (Siting)
- No Growth Inducement
- Odors
- Viewshed Impacts

Underlying assumption that solution meets regulatory requirements and fixes groundwater issues



# Los Olivos

# Special Problems Area

1974 –  
Special Problems  
Area designation

2003 – County Septic to Sewer Study

2010 – Los Olivos WWMP

2013 – Draft Eng. Report (**\$11.2M**)

2016 – Prelim Eng. Report (**\$20.9M**)

2018 – LOCSD formed

Today



2021 - 30% Design  
Gravity / MBR **\$47.8M**

2022 – 2 Monitoring Wells



# 30% Design Documents

## Gravity fed collection + MBR treatment Option

|              | North Option        | South Option        |
|--------------|---------------------|---------------------|
| Zone 1       | \$30,300,000        | \$28,700,000        |
| Zone 2       | \$ 1,700,000        | \$ 1,700,000        |
| Zone 3       | \$15,800,000        | \$15,800,000        |
| <b>Total</b> | <b>\$47,800,000</b> | <b>\$46,200,000</b> |

\*Does not include laterals from homes, septic system removal

**\$125,000 per parcel,**  
**PLUS: laterals, removal of existing**  
**septic system, effluent disposal**

# What are we doing now?

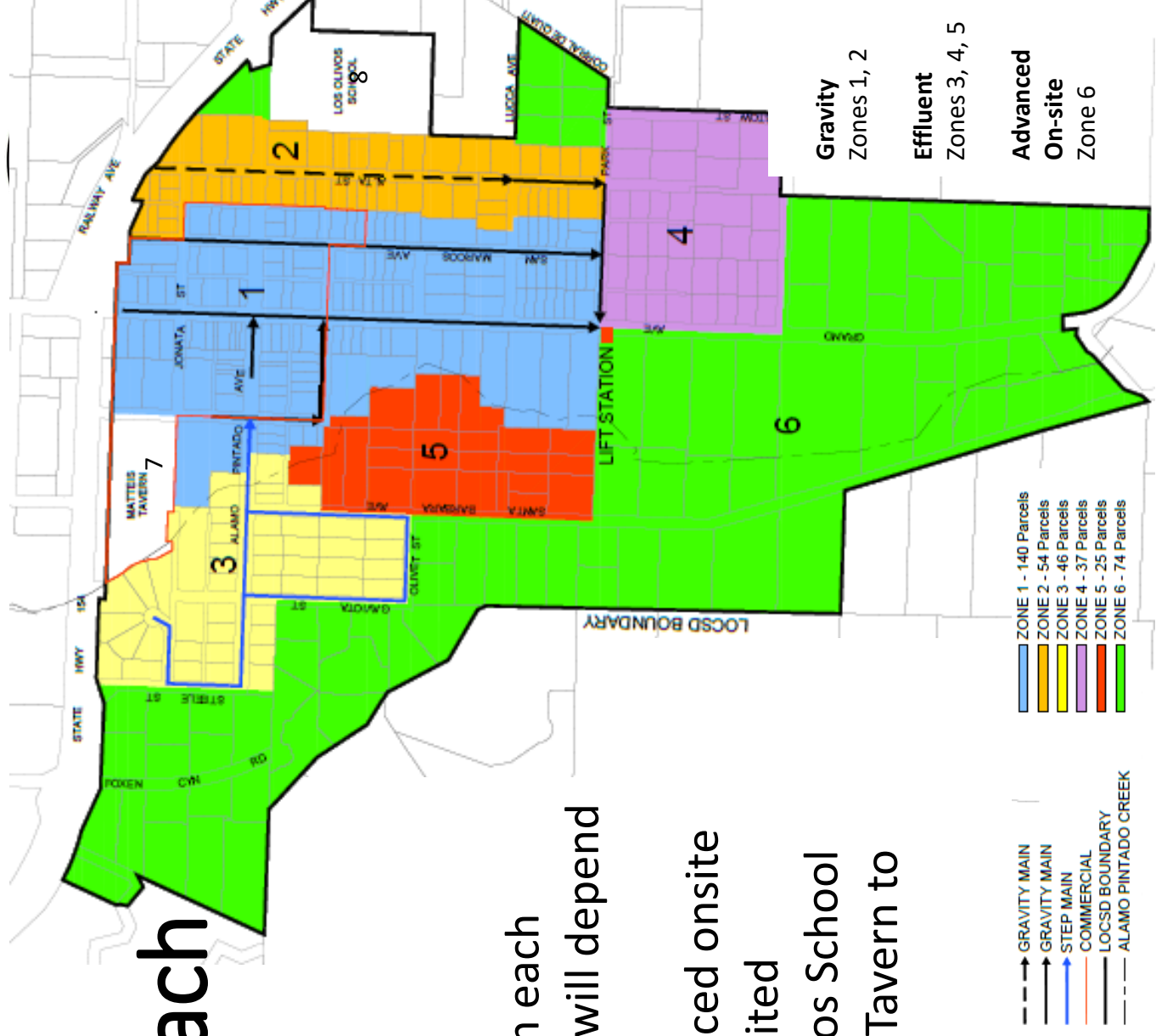
- Focus on collection
  - Gravity
  - Effluent Sewer (STEP)
  - Advanced On-site
- Additional monitoring wells

ATTACHMENT B



# Hybrid approach

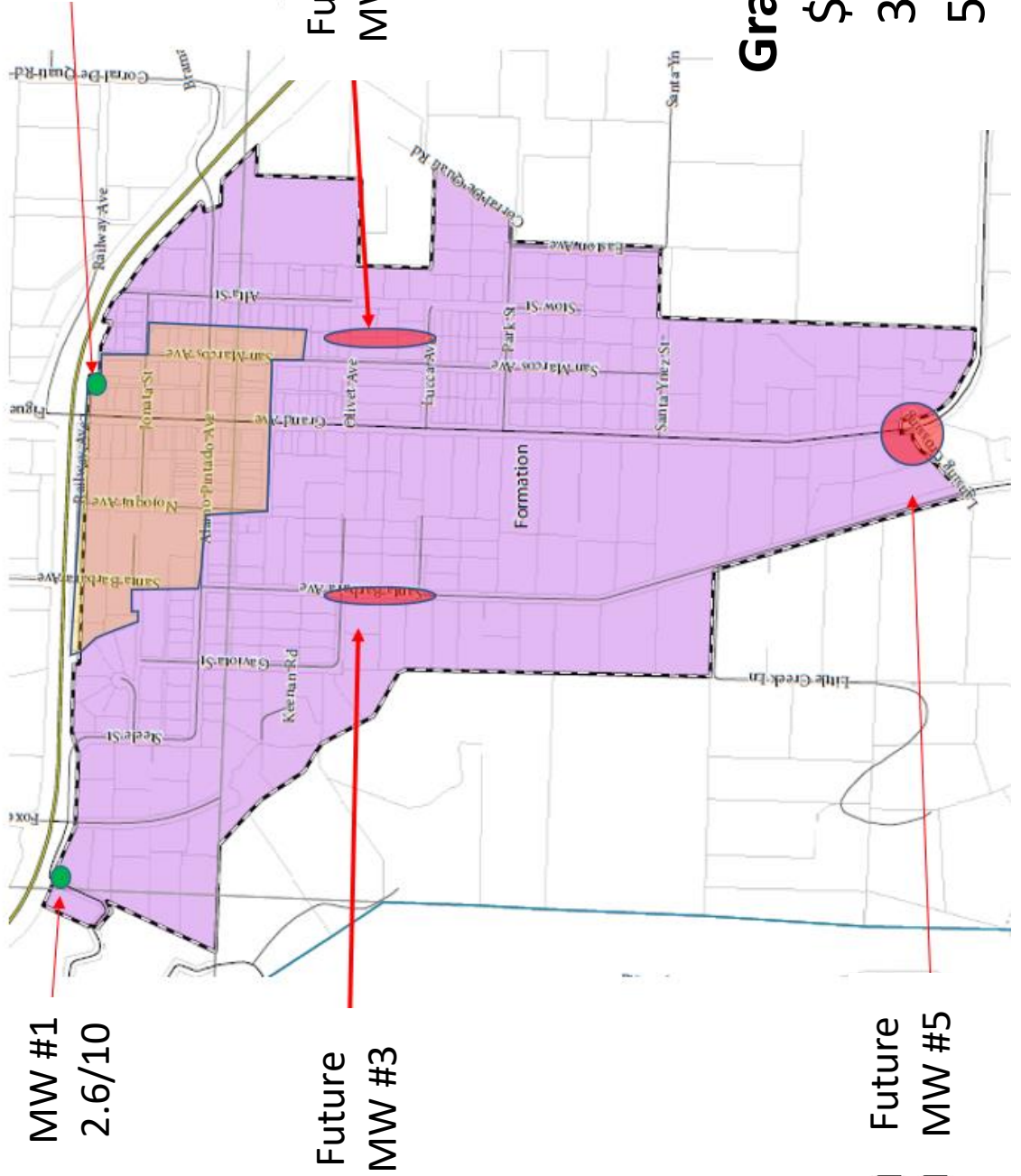
- Eight zones
  - Three technologies
  - Number of zones within each implementation phase will depend on grant funding
  - Use of individual advanced onsite systems in zone 6 is limited
- Technology for Los Olivos School and the Inn at Mattei's Tavern to be determined







# MONITORING WELLS



MW #1  
10/10

Future  
MW #4

MW #1  
2.6/10

Future  
MW #3

Future  
MW #5

**Grant Application**

**\$121,445**

**3 new wells**

**5 well tests**



# What's Next?

- Technical evaluation and related cost
  - Collection (120 day contract)
  - Treatment (concurrent with collection, Solvang?)
- Additional Public Workshops and Outreach
- Final Project Description
- Pursue Grants
- Environmental
- Hold Benefit Assessment Vote

# Questions and Discussion

- Visit us at:  
[www.losolivoscsd.com](http://www.losolivoscsd.com)
- Subscribe to our updates:  
[www.losolivoscsd.com/subscribe](http://www.losolivoscsd.com/subscribe)
- Contact us:  
[LosOlivosCSD@gmail.com](mailto:LosOlivosCSD@gmail.com)  
(805) 500-4098





# Los Olivos Community Services District Board

- Tom Fayram, President (2024)
- Nina Stormo\* (2024)
- Julie Kennedy (2026)
- Lisa Palmer (2026)
- Greg Parks (2026)

\*Appointed 9/2023

