LAFCO

Santa Barbara Local Agency Formation Commission 105 East Anapamu Street ◆ Santa Barbara CA 93101 805/568-3391 ◆ FAX 805/568-2249 www.sblafco.org ◆ lafco@sblafco.org

December 6, 2018 (Agenda)

Local Agency Formation Commission 105 East Anapamu Street Santa Barbara CA 93101

Consider Request for Time Extension for the Los Olivos CSD to Implement a Proposition 218 Assessment to Fund Wastewater Treatment Facilities for the area, including CEQA and other Planning Analysis, Assessment Study and Necessary Election

Dear Members of the Commission

RECOMMENDATION

It is recommended that the Commission Grant a One-Year Extension from the Effective Date of the Formation.

DISCUSSION

The Board of Directors of the Los Olivos Community Services District has submitted a letter **(Exhibit A)** requesting that the Commission extend the time limit contained in LAFCO Resolution 17-04 for one year from the effective date of the district's formation.

The condition of formation contained in Section 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 request letter explains that the Board of Directs has worked diligently to set up the administrative functions and is requesting a one-year extension to complete the Proposition 218

Commissioners: Roger Welt, Chair ◆ Roger Aceves ◆ Craig Geyer ◆ Judith Ishkanian ◆ Steve Lavagnino ◆ Jim Richardson ◆ Janet Wolf ◆ Joan Hartmann ◆ David Seymour ◆ Shane Stark ◆ Etta Waterfield ◆ **Executive Officer:** Paul Hood

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assessment process. The original twelve-month period set forth in Resolution 17-04 would end on April 5, 2019

Staff believes that this is a reasonable request and recommends that the Commission grant the additional twelve-month extension from the district's April 5, 2018 effective date to April 5, 2020.

Exhibits:

Exhibit A LOCSD Letter Requesting Time Extension

Please contact the LAFCO office if you have any questions.

Sincerely,

Paul Hosel

PAUL HOOD Executive Officer Tom Fayram, President Lisa Palmer, Vice President Julie Kennedy, Secretary Mike Arme, Director Brian O'Neill, Director



November 14, 2018

Paul Hood, Executive Officer Local Agency Formation Commission County of Santa Barbara 105 East Anapamu Street, Rm 407 Santa Barbara, CA 93101

RE: Los Olivos Community Services District Assessments Condition

Dear Mr. Hood:

LAFCO officially formed the Los Olivos Community Services District on (DATE) to be the governance structure for Los Olivos to address wastewater treatment requirements in the town.

One of the conditions LAFCO adopted was;

"The District, if formed, shall cease to exist if an assessment to fund a wastewater collection, treatment, and disposal system or systems to serve the community is not approved within one year of the effective date, or Santa Barbara LAFCO otherwise extends such deadline, or other LAFCO approved arrangements are made for funding the District."

Final approval and the effective date of formation of the District was in January, 2018. Since the Board's first meeting in May 2018, the Board has worked diligently to set up the District and it's administrative functions. The actions completed to date include; hiring legal counsel, calculating and submitting assessments to the County for FY 2018-19, securing insurance, approving agreements with the County Auditor for use of FIN for the District finances, hiring an Interim General Manager, and completing a "Dry Period Funding" agreement with the County Treasurer's Office.

At our regular meeting of September 12, 2018, the Board approved the transmittal of this <u>request to extend the</u> <u>assessment condition an additional year</u>, allowing for additional accrual of administrative assessment funds into FY 2019-2020. With the limited funding we currently have, including paying back certain costs to the County, the budget does not have sufficient funding to do the necessary Engineering Report to establish a new assessment in conformance with Prop 218. This assessment process will no doubt require a few iterations to get to the point of a final solution to the wastewater issues in Los Olivos. Specifically, we need to refine the prior studies to select a option and then better detail the costs, and start the environmental process.

As such, we request your consideration of our request to extend the assessment condition one year to allow the Board to get the District established, and in a position to move forward.

If you have any questions, please contact me at (805) 448-7033 or tom.fayram.locsd@gmail.com or Douglas Pike, Interim General Manager, at (805) 331-3553 or dpike@mnsengineers.com.

Sincerely, Los Olivos CSD

Thomas Fayram Board of Directors, President

> Los Olivos Community Services District, P.O. Box 345, Los Olivos, CA 93441, (805) 946-0431 losolivoscsd@gmail.com, www.losolivoscsd.com

EXHIBIT A