

# LAFCO

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**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

April 3, 2025 (Agenda)

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

## **Consider Request for Time Extension for the Los Olivos Community Services District to Implement a Proposition 218 Assessment to Fund Wastewater Treatment Facilities**

Dear Members of the Commission:

### RECOMMENDATION:

That the Commission grant the Los Olivos Community Services District a two-year extension for the implementation of a Proposition 218 assessment to fund wastewater treatment facilities.

### DISCUSSION:

The Los Olivos Community Services District has requested that the Commission extend the time limit contained in Commission Resolution 17-04 to implement a Proposition 218 assessment to fund planning and construction work necessary to build a wastewater treatment system for the Los Olivos community. The assessment was due one year after the effective date of the District's Formation. 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 effective date of the District's formation was April 5, 2018; hence the assessment was originally due by April 5, 2019. The District's first request for a one-year extension was made on November 14, 2018 and approved by the Commission on December 6,

2018. The District made a second extension request on March 20, 2020 and approved by the Commission on September 3, 2020. The District made a third extension request on March 19, 2021 and approved by the Commission on June 3, 2021. The District made a fourth extension request approved by the Commission on April 6, 2023. The District has now requested a fifth request in a letter dated March 18, 2025, attached. **(Attachment A.)**

The letter outlines the work done by the District to move forward with the wastewater treatment project. The District is requesting a two-year extension to complete the Proposition 218 assessment process which, if approved, will run through April 5, 2027.

The District has been evaluating the use of the City of Solvang's wastewater treatment infrastructure as opposed to building its own treatment plant. Use of the City's infrastructure is highly supported by the Central Coast Regional Water Quality Control Board (CCRWQCB) and County of Santa Barbara Environmental Health Services (EHS). The City of Solvang publicly declared "become a regional wastewater facility" as one of its primary objectives.

#### Attachments

Attachment A - Request for Two-Year Extension letter from Los Olivos CSD dated 3/18/25

Attachment B – LOCSD 1<sup>st</sup> Quarter 2025 Status Update Report

Please contact the LAFCO office if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "M. Prater".

Mike Prater  
Executive Officer

Julie Kennedy, President  
Lisa Palmer, Vice President  
Tom Fayram, Director  
Greg Parks, Director  
Tom Nelson, Director



PO Box 345  
Los Olivos, CA 93441  
[www.losolivoscscsd.com](http://www.losolivoscscsd.com)

Guy Savage, General Manager

March 18, 2025

Local Agency Formation Commission  
Attention: Mike Prater, Executive Officer  
105 East Anapamu Street, Room 407  
Santa Barbara, CA 93101  
(via email)

**SUBJECT: Los Olivos Community Services District - Project Progress and Request for Proposition 218 Extension**

Dear Commissioners:

As you may recall, LAFCO officially issued a Certificate of Completion in the formation of the Los Olivos Community Services District (LOCS D) on April 5, 2018, following the successful County certified vote on January 30, 2018. Subsequently, on April 6, 2023, your Commission approved a LOCS D request to extend the time to successfully conduct a Proposition 218 assessment as required by Condition B (vii) in the Resolution 17-03 approving formation on April 13, 2017. The LOCS D is requesting an additional two-year extension. The District is confident that it can complete a Proposition 218 vote during this extension.

The District continues to make steady progress towards a community wastewater collection and treatment solution. As shown in the attached District Update (see Attachment 1), recent LOCS D efforts include:

- Obtaining groundwater monitoring well data on five District installed and managed wells
- Completing a technical examination of existing City of Solvang infrastructure to determine feasibility (and cost) of processing LOCS D wastewater by the City of Solvang
- Engaging engineering firms to complete technical feasibility studies and provide 30% engineering and cost estimates related to connecting the LOCS D to the City of Solvang's existing wastewater treatment infrastructure

For the past several months, the District has been highly focused on evaluating the use of the City of Solvang's wastewater treatment infrastructure as opposed to building its own treatment plant. Use of the City's infrastructure is highly supported by the Central Coast Regional Water Quality Control Board (CCRWQCB) and County of Santa Barbara Environmental Health Services (EHS). The City of Solvang publicly declared "become a regional wastewater facility" as one its primary objectives. We engaged Carollo Engineering, Water Systems Consulting (WSC), and Stantec Engineering to complete various feasibility, engineering, and cost studies related to connecting to City wastewater infrastructure. The different consultants were hired based on City recommendations and/or due to their depth of expertise in different areas.

ATTACHMENT A

LOCSD Directors and staff have met several times with the City of Solvang City Manager and Wastewater Management staff as well as attending City of Solvang City Council meetings. The City is currently focused on their CCRWQCB mandated wastewater treatment plant upgrade. On January 13, 2025, the City Council received a report on the upgrade project, including potential future connectivity by LOCSD. The City Council will again be discussing wastewater, including LOCSD connectivity, later this year, once funding for the upgrade project is obtained or clarified. In the meantime, the LOCSD will continue to refine its engineering and cost estimates related to potential connection and work with City staff to draft related agreements.

The LOCSD is diligently working towards a community wastewater solution. Progress has been slower than we had hoped, but we are making steady progress. At each step we have further refined cost estimates and narrowed potential solution options. As previously noted, we are a small district, with only 372 parcels and annual revenues just over \$243,000. Consequently, we must carefully manage our efforts to maximize the limited funding available.

The LOCSD Grants subcommittee is chartered to research and find grant opportunities to help us complete the studies needed. The LOCSD also worked with Congressman Carbajal's office and sought \$4,000,000 in Water Resources Development Act (WRDA) funding to complete engineering and environmental review activities needed prior to completing a Proposition 218 vote. Should the RDA funds effort be unsuccessful, we will continue to accomplish our goals and objectives regardless. However this will increase our need for additional funding; particularly Federal, State, and local grants, to complete the necessary assessment engineering, review, outreach, and other studies required to achieve a successful Proposition 218 assessment vote.

On April 9, the LOCSD Board of Directors will receive the final report from Stantec Engineering on a 30% engineering and cost estimate for a force main to move wastewater from the District to the City of Solvang. A force main, owned and operated by the LOCSD, will help to address growth concerned raised in the Santa Ynez Community Plan of October 2009. Related to the Community Plan, LOCSD Directors and staff have met with several community-based organizations to ensure they are aware of District plans and address their concerns. The District plans to hold a community workshop on May 14 to obtain input on preferences for wastewater treatment approaches. Following the May meeting, the Board of Directors will adopt a "project description" that will serve as the foundation for environmental review and further engineering design and cost estimating refinement. Even without WRDA funding, current estimates suggest that the District has sufficient funding to complete environmental review and an 80% engineering design.

As demonstrated, we continue to make substantial progress toward implementing a community wastewater solution. We still have significant work to do to complete an informed and successful Proposition 218 benefit assessment vote. It is our intent to conduct additional community outreach, define a final project, identify grant opportunities, complete environmental review, finalize our assessment engineers report, and execute a full Proposition 218 process as soon as the required information and available funding allows. We therefore respectfully request that the LAFCO Board of Director's receive this progress report and extend the LAFCO Resolution deadline to conduct the District's Proposition 218 proceedings for an additional two-year extension.

Thank you for your consideration and continued support of the Los Olivos CSD and our efforts to improve our groundwater quality with the implementation of a community wastewater management solution. If you have any questions, please contact me direction at Julie.Kennedy.locsd@gmail.com or Guy Savage, General Manager, at (805) 500-4098 or gm.locsd@gmail.com.

Sincerely,



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Julie Kennedy  
President, Board of Directors LOCSD

Attachment 1: March 2025 District Update

cc: Joan Hartmann, 3rd District Supervisor, County of Santa Barbara  
Ryan Lodge, Executive Officer, Central Coast Regional Water Quality Control Board  
Lars Siefert, County of Santa Barbara, Public Health Director  
Jason Johnson, County of Santa Barbara, Environmental Health Services Director

Julie Kennedy, President  
Lisa Palmer, Vice President  
Thomas Fayram, Director  
Thomas Nelson, Director  
Greg Parks, Director



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## DISTRICT UPDATE – 1<sup>st</sup> QUARTER 2025

As we noted in our 4<sup>th</sup> Quarter update, the Los Olivos Community Services District (LOCSO) is preparing to make key decisions about our septic to sewer conversion - how collection will be done, where and how we will treat our wastewater, and begin environmental impact review, all of which will culminate in a property-owner vote. **We have scheduled a May 14<sup>th</sup> community workshop, 6PM, at the Grange Hall** in Los Olivos to get your input on these important considerations. .

As noted in prior updates, any final wastewater treatment and water reclamation solution will be the result of significant community input, environmental review and then put to a vote by District property owners in accordance with Proposition 218. Since the District is still evaluating technical solutions and seeking community input, no specific timeline for the property-owner vote has been established.

### **Preliminary Studies Complete for Potential Connection to the City of Solvang's Wastewater Infrastructure for Treatment and Disposal**

Study, meetings and discussion regarding the potential connection to the City of Solvang's wastewater treatment plant and related infrastructure continued this past quarter. The basic approach being discussed is the District would collect our wastewater, then send it through a LOCSO-owned, dedicated and proprietary sewer force main sized for our community's needs down Alamo Pintado Road to a connection near Sunny Field Park, where the City has an existing sewer main. Wastewater would then flow through City sewer mains to the city's plant where it would be treated and disposed.

A key consideration is whether a sewer main going down Alamo Pintado Road could result in growth along the corridor between Los Olivos and Solvang. After extensive consultation with the County and our own research District counsel, we are certain we can size the pipe to meet our needs only and refuse connection to anyone outside the District who wants to connect. This means we can confidently address the potential growth concerns raised in the Santa Ynez Valley Community Plan, which was adopted in October 2009.

No commitments have been made by the City of Solvang or the District beyond exploring the technical feasibility and potential costs of sending LOCSO wastewater to the City facilities for treatment. However, we are meeting regularly with the City of Solvang to ensure this option is viable and available and have continued to complete the engineering studies needed to cost a potential connection. We expect to hear from engineering consultants and have a preliminary cost number from the City of Solvang by our April 9, 2025, meeting (6PM, Grange Hall, Los Olivos).

### **Understanding the Final Options Being Considered**

Now is a good time to review the options we've been studying over the past few years and get yourself up-to-speed, in advance of the community workshop and the Board decision making meetings.

There are several ways to build your knowledge:

- Watch the annual State of the District presentation ([click here](#)).
- Watch the Collections Workshop video, held on August 21, 2024 ([click here](#)).
- Watch the recent Board of Directors' meeting videos or review the various attachments ([click here for the March 12, 2025 meeting](#)).
- Meet with a Board Member (see the Coffee with a Director below).
- Email or call the General Manager at [gm.locsd@gmail.com](mailto:gm.locsd@gmail.com) or at (805) 500-4098.

**Coffee with a District Board Member – 1<sup>st</sup> & 3<sup>rd</sup> Fridays at Lefty's Coffee Co.**

A Board Member is regularly available for an hour of “open table” discussion with community members the **1<sup>st</sup> and 3<sup>rd</sup> Friday of each month starting between 8:30 and 9:00am**. Lefty's Coffee Co. in Los Olivos continues to generously allow us to use a table for these informal conversations. No appointment necessary. If you have questions, but cannot make a Friday morning, contact us directly ([LosOlivosCSD@gmail.com](mailto:LosOlivosCSD@gmail.com)) and we can set up a date and time for you.

**UPCOMING WORKSHOP – WEDNESDAY, MAY 14, 6PM**

**Community Workshop** – The District's Board of Directors needs your input on potential wastewater solutions prior to making a final decision on a project to take to a property-owner vote. Join us

**Wednesday, May 14, 2025** (6PM, Grange Hall, 2374 Alamo Pintado Ave, Los Olivos), for a community workshop on:

- Collection, Treatment, and Disposal Options and Costs

**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 a local wastewater management solution and 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:** [Attend our monthly meetings](#) in person or virtually to stay current with our efforts to determine the best wastewater 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 usually post video of meetings on YouTube within 48 hours should you be unable to attend a meeting in person ([link to our YouTube Channel - https://www.youtube.com/@LosOlivosCSD](https://www.youtube.com/@LosOlivosCSD)).

Check the District's website for meeting agendas and materials at [losolivoscsl.com](http://losolivoscsl.com).

Visit <https://www.losolivoscsl.com/subscribe> to sign up for email updates. Please encourage your neighbors, local 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.

Find us on Social Media:



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Thomas Fayram, Director  
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