



POSTED 4-5-2019

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

LOS OLIVOS COMMUNITY SERVICES DISTRICT
Board of Directors Meeting, April 10, 2019, 6:00 p.m.
Los Olivos School, Room 602
2540 Alamo Pintado Avenue, Los Olivos, CA 93441

REGULAR MEETING MINUTES

1. CALL TO ORDER

Meeting called to order at 6:03pm

2. ROLL CALL

Directors Fayram, Palmer, Kennedy, Arme and O'Neill were present. Director Also present were IGM Doug Pike and Legal Counsel Ross Trindle.

3. PLEDGE OF ALLEGIANCE

4. APPROVAL OF MEETING MINUTES

3-13-2019 Regular Meeting Minutes

Action: Approve 3-13-2019 Meeting Minutes.

Motion: . Director Palmer **Second:** Director Kennedy

Vote: Motion passed 4-0 with Director Arme abstaining due to absence at 3-13-2019 meeting.

5. DIRECTOR COMMENTS

Directors will give reports on any meetings that they attended on behalf of the District and/or choose to comment on various District activities.

Director O'Neill – met with Howard Kolb and Larry Faye, along with Director Arme and IGM Pike to discuss options for draft project plan

Director Arme – affirmed meeting with Director O'Neill, Howard Kolb and Larry Faye

Director Kennedy – attended the EHS Presentation of Proposed Fee Structure in Solvang on April 2 with IGM Pike and thought it might be helpful to create a set of guidelines for optimum septic maintenance for residents and post on the CSD's website. Director Kennedy also confirmed attendance at the April 17 CFCC Funding Fair in Sacramento.

Director Palmer – no report

Director Fayram – no report

6. PUBLIC COMMENTS

Members of the public may address the Board on any items of interest within the subject matter and jurisdiction of the Board but not on the agenda today (Government Code - 54954.3).

Speakers are limited to 3 minutes. Due to the requirements of the Ralph M. Brown Act, the District cannot take action today on any matter not on the agenda, but a matter raised during Public Comments can be referred to District staff for discussion and possible action at a future meeting.

Resident Kelly Gray inquired about means of tracking residents who may be required to replace their septic system and suggested the Board begin tracking these situations.

Los Olivos Community Services District, P.O. Box 345, Los Olivos, CA 93441, (805) 946-0431

losolivoscscsd@gmail.com, www.losolivoscscsd.com

7. INTERIM GENERAL MANAGER REPORT

Interim General Manager Report on current assignments and general District business.

IGM Pike reported on the following:

- The CSDA Finance Corporation has a low interest loan program, which is comparable to other similar programs but approval process is streamlined.
- A conversation with Paul Hood of LAFCO confirmed they are in favor of the District's position of more frequent communication about District's progress.
- EHS Meeting was informative. A major issue was what constitutes a "repair". EHS wants to and be involved with all parties involved to make replace of a septic system a last resort. IGM Pike met with Paul Jenzen, a retired EHS employee, now working as a consultant about assistance with minimizing the requirement to replace, especially while the District is looking at all options for a solution.

Legal Counsel Ross Trindle noted 2 legislative issues of concern for the District:

- Community Redevelopment Law of 2019. Redevelopment agencies, and funding, were eliminated in 2011. This is a renewed effort to in 2011, development agencies were eliminated and the funding with it. There are some efforts underway to renew this effort, which could help with funding for the District.
- An amendment is working through the Legislature to lower the voting requirements for Bond Financing, Prop 218. CSDA is encouraging Districts to support this legislation.

8. BUSINESS ITEMS

A. County Homestay Land Use Permit Discussion and possible action to direct communications to the County in regard to this ordinance and its impact on Los Olivos.

- a. Review attached Policy, History and Application
- b. Discussion and possible action to direct communications to the County in regard to this ordinance and its impact on Los Olivos, including any current applications or approval within the District Boundaries. See attached Letter submitted at the March 8, 2019 Meeting to the County by Matt Loudon.

Action: Direct District Legal Counsel to have a conversation with County Legal Counsel to explore potential Homestay Permit conflict with special problems designation. Explore District's authority and responsibility to consider weighing in on the issue.

Motion: . Director Palmer **Second:** Director Arme

Vote: Motion passed 4-0

Abstain: Director Kennedy recused herself from vote and discussion

Discussion: District Counsel will discuss with the County Counsel if Homestay Permit is in legal conflict with "Special Problems Area Designation". Mr. Trindle noted this is a land use matter, which the Board does not have authority over, but the County's process for approving such permits as it impacts the ability for the Board's to carry out its function is very real. How the County considers this in evaluating the permit is something that could be addressed at an administrative level with input from the Board.

Public Comments: Mr. Loudon expressed his frustration over the County's permitting process. He contacted several members of the County Board of Supervisors and urged the Board to engage with the County as soon as possible to resolve the issue. He suggested the Board engage Howard Kolb and Jason Johnson in working through the issue with the County.

- Director Palmer agreed about involving EHS and asked if there was anything we that could expedite the conversation and process.
- Mr. Trindle noted there could be a categorical conflict; if the County already designated the Special Problems Area, that sets up certain requirements which could impact the application of the Homestay Permit if undermines the previous designation.
- Resident Kelly Gray expressed her support for the Board to work with the County over the issue.
- Resident Jay Richolson presented a letter raising his concern this may represent "mission creep" and the Board may be exceeding its authority (letter attached to minutes).
- Resident Matt Loudon responded with his support for the Board to approach the matter by having a conversation with the County.
- Director Fayram noted any decision regarding Homestay Permits will be the decision of the County, not the Board.
- Director O'Neill noted his support for Mr. Trindle's assessment and approach for the issue and from his discussions with various entities; Mr. Trindle would have regulatory support for this issue. He added

from a technical perspective, the Special Problems Designation is based on 3 issues: ground water depth, density and nitrate loading, which drove the formation of the District. Any impacts to these issues are the responsibility of the District and supports expressing our concerns with the

- Director Arme expressed concern we may be trying to solve something without a solution in place. He supports the Board remaining focused on solving the wastewater situation and having the County deal with the Homestay Permit issue.

B. **LAFCO Progress Letter** – Discuss and approve, or modify and approve a Progress Report Letter to LAFCO c/o Paul Hood, Executive Officer.

Action: Approve letter to LAFCO, c/o Paul Hood with noted amendments.

Motion: . Director Palmer **Second:** Director Arme

Vote: Motion passed 5-0

Discussion: Director Palmer noted several edits including the inclusion of the Prop 218 process. Director Fayram asked a thank you to LAFCO be added to the letter.

C. **3-Month Work Plan –**

a. Discuss and approve, or modify and approve a 3-Month Work Plan Schedule with the goal to define the Initial Phase of “The Project”. The purpose will be to optimize progress in planning and implementing Permit Agency Coordination, Public Workshops, development of preliminary estimates, needed work products and study exhibits. Direct the ad hoc Technical Committee and IGM to define the goals and work items for each scheduled Regular and Special Meeting for the next three months.

Action: No action

Discussion: Board agreed to continue this item with the April 11 special meeting. Director Palmer asked for a revision of a 3-month plan with a start date.

B. **Report from Ad hoc Technical Committee**

Directors O’Neill and Arme met with Larry Faye of EHS and reported the following:

- EHS was supportive of CSD taking over the on-going management of the water quality
- They will help with on guidelines based on multiple considerations
- EHS willing to help CSD secure funding from other state agencies. Other funding sources to consider are County and Board matching funds, if we secure any grants EHS and RWQCB should be able to match.
- RWQCB (Regional Water Quality Control Board) report is forthcoming (3 months). Initial results are not good and likely to trigger AGMP implementation.
- County is looking for technical support and optimistic our approach to solving the problem could be a template for other communities.
- Urged the Board to get a request in as soon as possible for a Loading Study, which usually takes 3 months.
- Also discussed was for EHS to create a buffer, by maintaining the District as Tier 2, for residents while solution and Prop 218 process work is underway.

IGM Pike added the cooperation with County agencies such as EHS and RWQCB will vastly enhance the Prop 218 process.

Action: No action

C. **Finance Committee Business Summary and Action.** Act on Finance Subcommittee recommendation to pay the following Invoices:

1. 3-11-2019 MNS Invoice (IGM December Services) - \$4,760.00

Action: Pay invoice(s) as approved by Finance Committee

Motion: . Director Palmer **Second:** Director O’Neill

Vote: Motion passed 5-0

9. Next Regular Meeting:

Wednesday, May 8, 2019, 6:00 p.m.

Los Olivos School, Room 602

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10. ADJOURNMENT

Action: Adjourn meeting at 7:55pm

Motion: . Director Kennedy **Second:** Director Arme

Vote: Motion passed 5-0

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APPROVED



Tom Fayram, President

ATTEST



Julie Kennedy, Secretary

April 10, 2019

Los Olivos Community Services District
Board of Directors
Los Olivos, California 93441

I have read the letter to Santa Barbara County Planning from Matt Loudon and I am sympathetic to the points that he has raised.

However, I do not believe that this matter falls within the powers and responsibilities approved by LAFCO for the LOCSD. It is specifically stated that:

"The District shall have those powers and responsibilities set forth in the Community Services District Law, Government Code Section 61100(b) Collect, treat, or dispose of sewage, wastewater, recycled water, and storm water, in the same manner as a sanitary district, formed pursuant to the Sanitary District Act of 1923, Division 6 (commencing with Section 6400) of the Health and Safety Code. In the case of any conflict between that division and this division, the provisions of this division shall prevail. All other powers of Community Services District shall be considered latent and will require LAFCO approval to become active."

It is important to remember that there was a great deal of concern among many residents that once the CSD was formed that there would be "mission creep by the CSD", in other words expanding its authority beyond the issues for which it was formed. These residents were assured that any additional powers would require LAFCO approval.

Currently on-site disposal systems are the sole responsibility of SB County Environmental Health Services. They must approve new systems, expansion, repair and replacement of existing systems. They are the proper authority to deal with this issue not the LOCSD.

This is a matter of great concern that could potentially lead to litigation against the CSD if it persists in advocating for one landowner over another.

Jay Richolson



Dottie Richolson



2896 San Marcos Avenue
Los Olivos, CA 93441