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

LOS OLIVOS COMMUNITY SERVICES DISTRICT **Posted: 6-3-2025**
REGULAR MEETING
June 11, 2025, 6PM (Pacific)
Los Olivos Grange Hall
2374 Alamo Pintado Ave, Los Olivos CA 93441
Please observe decorum and instructions from the President

This meeting will be held both in-person and electronically via Zoom meetings. In-person the meeting will be held at the address above. The public will also be able to hear and participate electronically by using the following links:

On Zoom:
https://us06web.zoom.us/j/85195290804?pwd=rO5nrKISaewJAVMeY3MbZ7mtLlxudn.1

By Phone:
Meeting ID: 851 9529 0804 Passcode: 473619
One tap: +14086380968,,85195290804#,,,,*473619# US (San Jose)

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MEETING AGENDA

1. **CALL TO ORDER**
   President Kennedy called the meeting to order at: 6:02 PM

2. **ROLL CALL**
   Attending: President Kennedy, Vice President Palmer, Director Fayram, Director Parks, Director Nelson
   Absent: None

3. **PLEDGE OF ALLEGIANCE**

4. **PUBLIC COMMENT**
   Members of the public may address the Board of Directors on any items of interest within the subject matter and jurisdiction of the Board but not on the agenda today (Gov. Code - 54954.3). The public may also request future agenda topics at this time. Speakers are limited to a maximum of 3 minutes. Due to the requirements of the Ralph M. Brown Act, the Board of Directors 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.
   President Kennedy opened the floor to public comment.
   No requests to speak.

5. **PUBLIC HEARING: CONSIDERATION OF THE PROPOSED FISCAL YEAR 2025-26 BUDGET**
   In keeping with Board Direction, the General Manager has developed a proposed budget for Board's consideration. The District's fiscal year runs from July 1, 2025 through June 30, 2026. The budget for Fiscal Year 2025-26 (FY 2025-26) can be found online at:
   https://www.losolivoscsd.com/district-budgets

The Board will:

- Receive the report of the General Manager
- Open Public Hearing to receive Public Comment
- Close the Public Hearing
- Deliberate on the General Manager's Proposed Budget Recommendation
- Adopt a Budget for Fiscal Year 2025-26

General Manager's recommendation: Adopt a FY 2025-26 budget for the LOCSD.

GM Savage walked through a presentation (posted) related to the proposed FY 2025-26 budget.

At 6:10 PM, President Kennedy opened the Public Hearing and asked for to public comment.
No requests to speak.
President Kennedy closed the Public Hearing at 6:11 PM.

Motion to approve the FY 2025-26 budget.
Motion by: Director Parks, Second by: Director Nelson
Roll Call vote: 5-0

INFORMATIONAL ITEM:
Per public request, a brief report from the General Manager that conveys District status and updates is being added at the beginning of the agenda. This status report may touch on key items in the project plan or schedule. The General Manager will leave other detailed reporting, including budgetary reporting until the end of the meeting.
This item is informational only, no action will be taken, and no public comment will be received.

6. GENERAL MANAGER'S BRIEF DISTRICT STATUS REPORT
GM Savage noted that there was nothing of substance to add at this time.

ADMINISTRATIVE ACTION ITEMS:
All matters listed hereunder constitute an administrative / consent agenda and will be acted upon by a single vote of the Board. Matters listed on the Consent Agenda will be read only at the request of a member of the Board, in which event the matter may be removed from the Consent Agenda and considered as a separate item. The public may comment on any of the items prior to any action being taken by the Board.

7. CONSENT AGENDA

A. APPROVAL OF MEETING MINUTES

i. Community Workshop meeting minutes of May 14, 2025.
ii. Regular Meeting minutes of May 14, 2025.
iii. Special Meeting minutes of May 28, 2025.

B. APPROVAL PAYMENT OF INVOICES RECEIVED ON OR BEFORE JUNE 2, 2025.
Note: The invoices below were not reviewed in a Finance Subcommittee meeting and therefore carry no recommendation from that body.

No.	Invoice Date	Invoice #	Provider	Amount
1	5/19/2025	87447	MNS – Engineering and Support Services – Sept. 2024	$ 1,452.50
2	5/19/2025	95818	A&W – Legal Services	$ 959.40
3	5/27/2025	89990	MNS – Engineering and Support Services – April 2025	$ 2,460.00
4	6/1/2025	20255-1	GWS – General Manager Services	$ 7,250.00
5	6/2/2025	20255-2	GWS – District Expenses	$ 3,021.56

Project	Vendor	To Date (inc. above)	Total Authorization
Groundwater Monitoring	GSI – Bi-annual sampling and testing	$ 7,414.01	$ 14,300.00

GM Savage notes that the Finance Subcommittee did not meet.
President Kennedy opened the floor to public comment.

No requests to speak.

Motion to approve the consent agenda.
Motion by: VP Palmer, second: Director Fayram
Voice vote: 5-0

BUSINESS ITEMS:
The public may comment on any business item prior to any action being taken by the Board.

8. CONSIDERATION OF A PROJECT DEFINITION AND DESCRIPTION AND/OR ADOPTION OF RESOLUTION 25-01 LOS OLIVOS WASTEWATER TREATMENT SOLUTION

A Community Workshop was held on May 14, 2025 to obtain input from the public on wastewater treatment solutions under consideration. On May 28, 2025 the LOCSD Board of Directors held a Special Meeting to discuss the Community Workshop and determine the best path forward. At the Special Meeting, the Board of Directors directed staff to develop a project statement and related resolution that focused on treatment and disposal at the City of Solvang and continue the discussion, engineering, and costing of both gravity fed and effluent collection approaches. Staff has developed the attached documents in line with that direction. The Board of Directors also directed staff to reach out to Dunn School related to potential purchase of five (5) acres of land on the current Dunn School property to be used as a "local" alternative for the membrane bioreactor treatment and percolation chamber disposal of LOCSD wastewater.

General Manager's recommendation: Discuss, adopt a Project Description, approve a Project Description Resolution, and provide direction to staff as applicable.

GM Savage walks through a prepared presentation, which is posted on-line.

President Kennedy opens the floor to public comment.

Dennis Beebe, Tom Sullivan, Mark Herthel, Carter Benson, Jim Salina, Mary Hayden, Keith Saarloos, Will Meaus(?), Sam Marmorstein, Tara Jones, Supervisor Joan Hartmann, Larry Dominic, and ???, Alvie Whitaker, Dave Davis(?), speak.

Director Fayram talks about the competing issues. He speaks to groundwater issues and the "no project" letter the District received from the CCRWQCB. He notes that he is prepared to make a motion for gravity fed collection and connecting to Solvang while addressing the real concerns related to the various solutions under consideration.

Director Parks speaks to his concerns about costs, quoting a $10-11M difference between gravity and effluent collection solutions. He speaks to pump stations, equalization tanks, lift station, and pipelines to Solvang cost differences with gravity and effluent. He then describes his desire to move forward.

Vice President Palmer speaks to the need for action. She talks about what she heard from community members and their desire for gravity and City of Solvang. She asks about what can be done related to environmental; gravity, effluent, Solvang, local as alternatives to each other.

Director Nelson speaks to the quaintness of Los Olivos and weekend growth. He speaks to his history with the District, the impact of having a treatment plant near homes and businesses, his preference for effluent.

President Kennedy speaks to her concerns about growth and the need to put guardrails in place to help ensure growth is limited. She reads a prepared statement regarding options, cost, phasing, community response, impacts of waiting, cost increases, consideration of other alternatives, and possible loss of local control. She adds that she would like to see environmental review to include effluent as an alternative to gravity fed, and City of Solvang with local as an alternative.

Director Parks speaks to wanting consistent numbers between effluent and gravity fed collection.

Director Fayram speaks to the difference between Solvang and local. He notes that nobody has spoken to the parents of Dunn School students or the neighbors in that area. He then speaks to why REGEN and Stantec numbers are different.

Directors Fayram and Parks have a discussion about effluent, BOD concentration, and solids; in general, the differences between gravity and effluent collection approaches.

Director Nelson speaks to what the Project Description currently says and its importance.

GM Savage responds to questions/comments from the Board regarding which option to move forward and what an environmental review will provide. He notes that environmental review will not provide a cost difference between alternatives, only an impact statement.

Motion to move forward with a contract to pursue 80% design for effluent (only) and 80% design for gravity.
Motion by Director Parks, second: Director Nelson.

Under discussion, Director Fayram notes he wants a "new" contractor (not REGEN and not Stantec) to do any 80% design and costing activity. Counsel asks if the motion includes "and City of Solvang for treatment and disposal."
Motion maker Director Parks and second Director Nelson confirm that the motion should be:
Motion to move forward with a contract to pursue 80% design for effluent (only) and 80% design for gravity, and the City of Solvang for treatment and disposal.
Roll Call vote:
Ayes: Director Parks, Director Nelson, President Kennedy
Nays: Director Fayram and Vice President Palmer
Motion passes 3-2

Director Fayram comments that while he did not vote for the motion just passed, he will support it 100%.

Motion to approve Resolution No 25-01, which also adopts the attached Project Description.
Motion by: Director Nelson, second: Director Parks
Roll Call vote: 5-0

9. PLANNING FOR A CALENDAR YEAR 2026 PROPOSITION 218 (PROPERTY OWNER) VOTE
Planning, requests for quotes, background work, and other efforts related to a Property Owner vote (Proposition 218 vote) in calendar year 2026 need to start. The General Manager will present an overview of activities required for successfully completing a vote in 2026. Discussion by the Board may include consideration of an ad-hoc subcommittee of the Board of Directors, appointment of a community advisory subcommittee, and hiring of consultants to perform polling and education outreach related to the Prop 218 vote.
General Manager's recommendation: Discuss and provide direction to staff as applicable.
GM Savage walks through a prepared presentation, which is posted on-line.

President Kennedy opens the floor to public comment.
No requests to speak.

Directors discuss a possible subcommittee related to Proposition 218, with Counsel confirming that the subcommittee could be Ad-Hoc (as opposed to Standing).

Motion to appoint Directors Palmer and Kennedy to an ad-hoc subcommittee to address the upcoming Proposition 218 vote.
Motion by: Director Fayram, second: Director Nelson
Voice vote: 5-0

INFORMATIONAL ITEMS:
These items are informational only, no action will be taken, and no public comment will be received.

10. REPORTS

A. SUBCOMMITTEE REPORTS
Finance Subcommittee (President Kennedy Chair) – Did not meet.
Grants Subcommittee (Vice President Palmer Chair) – Will be meeting soon, now that there is a Project Description.
Project Management Subcommittee (Vice President Palmer Chair) – No report.
Technical Subcommittee (Director Fayram Chair) – No report.

B. GENERAL MANAGER AND DISTRICT ENGINEER COMMENTS
The GM and DE will give reports on any meetings that they attended on behalf of the District, report on various District-related activities and/or provide status on projects. The GM may also review the Budget Reports. See the packet for more details.

Notable upcoming meeting items:
July – Project Tax Assessment; Gann Limit; Project Description and Resolution (if not completed in June)
Aug - RFP for 80% Design, Engineering, and Cost Estimation; Assessment allocation discussion

GM Savage notes that the County does appear to be moving forward with a new financial system implementation in August.
DE Pike speaks to the importance of the steps taken earlier in the meeting. He describes the years of effort, options considered, and his excitement about the path forward.

11. DIRECTORS COMMENTS

Directors will give reports on any meetings that they attended on behalf of the Board and/or choose to comment on various District-related activities. Directors may also request future agenda topics at this time.
Director Fayram – Asks that those who have concerns about connecting to City of Solvang to work with the Board.
Director Parks – Notes that nobody on the Board wants growth.
Director Nelson – Speaks to willingness to compromise to do what's best for the community. He notes that the Board made significant progress this evening.
President Kennedy – Thanks all for their attendance.

12. ADJOURNMENT

Motion to adjourn at 8:32 PM
Motion by: Director Fayram, second: Director Nelson
Voice vote: 5-0

Respectfully submitted:

Guy W. Savage
General Manager – Los Olivos Community Services District

Approved:

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President Julie Kennedy