

Tom Fayram, President  
 Brad Ross, Vice-President  
 Julie Kennedy, Director  
 Lisa Palmer, Director  
 Greg Parks, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT  
 REGULAR MEETING**

**Posted: 3-10-2023**

**March 15, 2023, 6PM**

**St Mark's in the Valley Episcopal Church, Stacy Hall  
 2901 Nojoqui 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 following location:  
 St Mark's in the Valley Episcopal Church, Stacy Hall - 2901 Nojoqui Ave, Los Olivos CA 93441

The public will also be able to hear and participate electronically by using the following links:

On Zoom:

<https://us06web.zoom.us/j/82515801920?pwd=VHFQd1VDZUVucFZXZEVEEdVhZVjhhQT09>

By Phone:

Meeting ID: 825 1580 1920 Passcode: 378600

One tap mobile +16694449171,,82515801920#,,,,\*378600# US

The Los Olivos Community Services District is committed to ensuring equal access to meetings. In compliance with the American Disabilities Act, if you need special assistance to participate in the meeting or need this agenda provided in a disability-related alternative format, please call 805.500.4098 or email to losolivoscsd@gmail.com. Any public records, which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at a location to be determined in Los Olivos, California 93441.

**MEETING AGENDA**

**1. CALL TO ORDER**

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

**4. PUBLIC COMMENTS**

Members of the public may address the Committee on any items of interest within the subject matter and jurisdiction of the Committee 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 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.

**5. ADMINISTRATIVE AGENDA**

All matters listed hereunder constitute a consent agenda and will be acted upon by a single vote of the Board. Matters listed on the Administrative Agenda will be read only on the request of a member of the Board, in which event the matter may be removed from the Administrative Agenda and considered as a separate item.

**A. APPROVAL OF MEETING MINUTES**

Regular Meeting Minutes of February 15, 2023.

**B. APPROVAL PAYMENT OF INVOICES RECEIVED BY MARCH 3, 2023.**

The invoices below have been reviewed by the Finance Committee and are recommended for approval.

No.	Invoice Date	Invoice #	Provider	Amount
1.	1/18/2023	82187	MNS Invoice – Engineering and Support Services	\$ 2,302.50
2.	2/21/2023	82448	MNS Invoice – Engineering and Support Services	\$ 2,716.50

**Los Olivos Community Services District, P.O. Box 345, Los Olivos, CA 93441, (805) 500-4098**

[losolivoscsd@gmail.com](mailto:losolivoscsd@gmail.com), [www.losolivoscsd.com](http://www.losolivoscsd.com)

3.	2/9/2023	00876.001-23	GSI – Groundwater Monitoring Well	\$ 4,206.25
4.	2/17/2023	1228	Regen – Engineering Services	\$ 9,220.00
5.	3/1/2023	20232	Savage – General Manager services	\$ 3,847.50

**6. FISCAL YEAR (FY) 2018-19 AUDIT – INDEPENDENT AUDITOR’S REPORT**

The Board will receive and file a Fiscal Year 2018-19 report from its independent auditor, Moss, Levy & Hartzheim, LLP. The report is the first of three FY audit reports that the independent auditor is working on for the District.

**7. TECHNICAL OPINION ON COLLECTION, TREATMENT, AND DISPOSAL OPTIONS – REGEN**

The Board will receive and file a Technical Memorandum (TM) and presentation from its consultant, REGEN. The TM outlines the consultant’s opinions related to the collection, treatment, and disposal of wastewater in the LOCSO.

**8. SANTA BARBARA COUNTY LOCAL AGENCY FORMATION COMMISSION (LAFCO) EXTENSION REQUEST**

The Board will consider the attached letter of request for extension for the District. The District is scheduled to appear before LAFCO on April 6, 2023.

**9. REPORTS**

**A. SUBCOMMITTEE REPORTS**

**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 Budget Reports. See packet for more details.

**10. COMMENTS**

The Directors will provide comments and report on activities related to District business. Comments are informational only, no action will be taken, and public comment not received.

**A. 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.

**11. ADJOURNMENT**

**ITEM 5A - MINUTES TO APPROVE**

**MINUTES TO APPROVE**

Tom Fayram, President  
Brad Ross, Vice-President  
Julie Kennedy, Director  
Lisa Palmer, Director  
Greg Parks, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT**

**Posted: 2-9-2023**

**REGULAR MEETING**

**February 15, 2023, 6PM**

**St Mark's in the Valley Episcopal Church, Stacy Hall**

**2901 Nojoqui Ave, Los Olivos CA 93441**

**Please observe decorum and instructions from the President**

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St Mark's in the Valley Episcopal Church, Stacy Hall - 2901 Nojoqui Ave, Los Olivos CA 93441

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On Zoom:

<https://us06web.zoom.us/j/82515801920?pwd=VHFQd1VDZUVucFZXZEVEEdVhzVjhhOT09>

By Phone:

Meeting ID: 825 1580 1920 Passcode: 378600

One tap mobile +16694449171,,82515801920#,,,,\*378600# US

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**MEETING AGENDA**

**1. CALL TO ORDER**

President Fayram calls the meeting to order at 6:02 PM.

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL**

President Fayram requests a roll call be taken.

**PRESENT:** President Fayram, Vice President Ross, Director Kennedy, Director Parks, Director Palmer

**ABSENT:** None

**4. PUBLIC COMMENTS**

Members of the public may address the Committee on any items of interest within the subject matter and jurisdiction of the Committee 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 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.

President Fayram opens the floor to public comment.

Sam Marmorstein and Paul Rohrer speak.

**5. ADMINISTRATIVE AGENDA**

All matters listed hereunder constitute a consent agenda and will be acted upon by a single vote of the Board. Matters listed on the Administrative Agenda will be read only on the request of a member of the Board, in which event the matter may be removed from the Administrative Agenda and considered as a separate item.

**A. APPROVAL OF MEETING MINUTES**

**Los Olivos Community Services District, P.O. Box 345, Los Olivos, CA 93441, (805) 500-4098**

[losolivoscscsd@gmail.com](mailto:losolivoscscsd@gmail.com), [www.losolivoscscsd.com](http://www.losolivoscscsd.com)

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Regular Meeting Minutes of January 11, 2023.

Special Meeting Minutes of January 11, 2023.

**B. APPROVAL PAYMENT OF INVOICES RECEIVED BY FEBRUARY 2, 2023.**

The invoices below have been reviewed by the Finance Committee and are recommended for approval.

No.	Invoice Date	Invoice #	Provider	Amount
1.	1/2/2023	1071	ConfluenceES – Effluent Study	\$ 9,871.20
2.	9/13/2022	00876.001-18	GSI – Groundwater Monitoring Well (Aug)	\$ 510.00
3.	11/7/2022	00876.001-20	GSI – Groundwater Monitoring Well (Oct)	\$ 3,265.00
4.	1/12/2023	00876.001-22	GSI – Groundwater Monitoring Well (Dec)	\$ 1,931.25
5.	9/13/2022	00876.003-3	GSI – Effluent Study (Aug)	\$ 4,103.75
6.	11/7/2022	00876.003-5	GSI – Effluent Study (Oct)	\$ 1,918.75
7.	12/20/2022	73138	Aleshire & Wynder – Legal Services (y/e 2022)	\$ 3,628.48
8.	2/2/2023	73437	Aleshire & Wynder – Legal Services (Jan 2023)	\$ 2,464.00
9.	1/31/2023	20231	Savage – General Manager services	\$ 6,029.27

Motion to approve item 5, Administrative Agenda.

Motion By: Director Palmer, Second: Director Kennedy

Ayes: Director Palmer, Director Kennedy, Director Parks, Vice President Ross, President Fayram

Nays: None

Abstain: None

**6. GROUNDWATER MONITORING WELL INSTALLATION AND TESTING REPORT – GSI WATER SOLUTIONS, INC.**

The Board will receive and file a Technical Memorandum (TM) from its consultant, GSI Water Solutions, Inc.. The TM provides details related to the drilling, installation, and initial testing for the first two groundwater monitoring wells constructed as part of the new shallow groundwater monitoring network.

Mr. Tim Thompson, GSI Water Solutions, Inc. provides an overview of the installation and testing report.

Under discussion, Vice President Ross asks about water quality differences between the two wells. Mr. Thompson responds that he would not have been surprised to see similar results, but was also not completely surprised by the differing test results. VP Ross asks about impact recent rains would have on the results. Mr. Thompson responds that there could be some dilution of nitrates and that a regular monitoring plan including quarterly testing should be considered. He adds that the district should consider additional wells, including wells to the North of the District, across Hwy 154. Director Palmer comments that she believes quarterly testing, with financial support from the RWQCB and/or County makes a lot of sense; commenting that this is true water quality information and data, something that has been needed for some time. Director Kennedy echoes Director Palmer's comments. She asks about what is involved in determining the causes of the higher nitrate levels at MW-2. Mr. Thompson responds that a prioritization of future wells and monitoring plan would be one step towards better understanding what is going on in the shallow aquifer. President Fayram notes that GM Savage has had conversations with the RWQCB about the availability of potential funding to install additional wells and placement of new wells. Director Parks notes that the regulating agencies have a direct interest in us continuing to monitor and expand our monitoring. He continues that while monitoring will tell us what is happening, it won't fix any problems and that we should be careful to not lose focus, reminding everyone that the regulating agencies still want to see a solution – independent of what the wells tell us.

President Fayram opens the floor to public comment.

Paul Rohrer speaks.

The Board discusses plans for additional testing, additional wells, and the need for funding. President Fayram notes that without additional funding, the District cannot facilitate the drilling of additional wells.

VP Ross notes that as the initial tests were done in November, quarterly testing would be due now – three months after the initial samples were taken. At VP Ross' request, GM Savage agrees to pull together a Technical Committee to both discuss the potential funding for additional wells and testing, and locations for additional wells. General discussion ensues about who should be part of determining locations, GM Savage notes to the Board that the RWQCB has stated an interest in being part of the discussion.

**7. TECHNICAL OPINION ON COLLECTION, TREATMENT, AND DISPOSAL OPTIONS – REGEN**

The Board will receive and file a Technical Memorandum (TM) and presentation from its consultant, REGEN. The TM outlines the consultant’s opinions related to the collection, treatment, and disposal of wastewater in the LOCSO.

GM Savage requests that item 7 be pulled from the agenda.

**8. USE OF TELECONFERENCING AND VIDEOCONFERENCING DURING BOARD OF DIRECTORS MEETINGS**

The Board will consider the on-going use of teleconferencing and videoconferencing during meetings of the Board of Directors. In addition to general consideration of these technologies, the Board will specifically consider adoption/possible action on the attached proposed policy related to the implementation of Assembly Bill (“AB”) 2449, signed into law on September 13, 2022. AB 2449 amends Government Code section 54953 to provide authority and specific requirements for public agencies to allow individual board members to appear at meetings remotely.

Background: Prior to the COVID-19 pandemic, the Ralph M. Brown Act placed strict requirements for the legislative bodies of local agencies to meet by teleconference. Among other restrictions, all teleconference locations had to be identified in the notice and agenda of the meeting, and each teleconference location had to be accessible to the public. In addition, at least a quorum of the legislative body had to be present within the boundaries of the local agency. In March of 2020, the Governor of California issued an executive order temporarily waiving some of these restrictions and the State Legislature followed up the Governor’s executive order with AB 361, which provided a statutory exception, authorizing local agencies to use teleconferencing without complying with all of the Brown Act’s restrictions in specified circumstances related to public health and safety emergencies. AB 2449 does not extend AB 361, which still sunsets on January 1, 2024, (though if Governor Newsom rescinds the State of Emergency related to COVID-19, AB 361 will no longer be available). Instead, the bill implements another temporary exception authorizing agencies to meet by teleconference without strict compliance with the traditional notice and physical access requirements, but with more restrictions than what was permissible under SB 361. Counsel Trindle introduces the item and provides an overview of the details of the proposed policy.

Under discussion, President Fayram asks about applicability of the policy to non-Board members. He comments on our District’s ability to effectively provide remote participation for the public. Counsel Trindle responds that only the largest jurisdictions are required to provide remote public participation. Counsel adds that if the Board chose, it could shift to a “broadcast only” of the meetings, using technologies such as a local access channel. He adds that using other mechanisms such as sending a letter or email can provide the public a mechanism to comment on items. Counsel provides additional commentary about remote participation by Directors. As an example, he notes that the Board would have to address a technology failure should it affect whether or not the meeting continues to have a quorum. Counsel Trindle goes on to comment about what steps the Board would need to consider should a technology failure affect the ability of the public to provide comment. He concludes with a statement that there is no hard requirement to provide any sort of remote participation for members of the public; just that if you do, you must take certain steps to ensure that you are supporting First Amendment rights of the public. Director Palmer asks whether the item before the Board is only intended to address the proposed policy related to Director participation via teleconference. Counsel Trindle responds that both public participation and the policy are agendaized. VP Ross asks if there is a down-side to the Board adopting the policy. Counsel Trindle responds that it does lock Directors into two methods of attendance. Director Kennedy comments that for transparency and involvement of the public, continued use of technologies such as Zoom where the public can provide remote commentary is helpful. Director Parks adds that he thinks being as transparent as possible is important. Director Palmer comments that she believes continued use of existing approaches is important at this stage of property owner engagement.

President Fayram opens the floor to public comment.  
Meighan Diethofer speaks.

**Motion to approve policy as contained in the packet.**

**Motion by: Vice President Ross, Second: Director Kennedy**

Under discussion, President Fayram notes that he likely will not be voting in favor of the item as he believes the Brown Act suffices. Director Parks asks additional questions regarding how the proposed policy affects public participation. Counsel Trindle clarifies that the policy only affects how Directors participate via

teleconferencing/videoconferencing.

Ayes: Director Palmer, Director Kennedy, Director Parks, Vice President Ross

Nays: President Fayram

Abstain: None

## 9. SUBCOMMITTEE APPOINTMENTS

President Fayram will consider subcommittee appointments. Existing standing committees include the Finance Committee; existing ad-hoc committees include the Technical Committee and the Project Management Committee; a new Grants / Financing Committee will also be considered and discussed.

President Fayram asks for clarification about the process to be used for appointing committee members. Counsel Trindle responds that it would be appropriate to garner input from all Directors before making appointments and that a vote on any standing committee appointments would be appropriate. Following discussion and requests for interest in various committees, President Fayram seeks a motion regarding the Finance Committee – a standing committee.

**Motion to nominate Directors Palmer and Kennedy to the Finance Committee.**

**Motion By: Vice President Ross, Second: Director Parks**

Ayes: Director Palmer, Director Kennedy, Director Parks, Vice President Ross, President Fayram

Nays: None

Abstain: None

Following additional discussion regarding interest and commentary about inclusion of all Directors, President Fayram makes the following appointments to ad-hoc committees:

Technical Committee – President Fayram, Vice President Ross

Grants / Financing Committee – Director Parks, Director Kennedy

Project Management Committee – Director Palmer, Vice President Ross

President Fayram opens the floor to public comment.

No requests to comment are received.

## 10. REPORTS

### A. SUBCOMMITTEE REPORTS

GM Savage notes that, at the request of Director Kennedy, future agenda will separate Subcommittee Reports from the General Manager's comments. The intent is that Directors participating on committees will provide an overview of activities, with support from GM Savage; as opposed to GM Savage providing the overview. As this is a new approach, GM Savage provides a brief overview of activities since the last Regular meeting.

GM Savage reports that the Project Management Committee did not meet and that the Technical Committee met on a few occasions with a sole focus on guiding the Technical Memorandum (TM) from REGEN. He adds that the Technical Committee took care not to influence the recommendations being provided by REGEN. Instead, it mostly commented on the types of content to be included in the TM, such as an executive summary, pros/cons supporting recommendations, and so on.

### 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 Budget Reports. For the month of February 2023, the General Manager's comments will include an overview of the District workshop held on January 24, 2023.

See packet for more details.

GM Savage provides an overview of the documents included in the meeting packet. He notes that he met with the RWQCB to discuss use of advanced on-site systems and groundwater monitoring wells. He adds that Director Kennedy and he participated in a conversation with State of California representatives regarding potential grant funding. He adds that he attended the most recent meeting of the Eastern Management Area (EMA) meeting of the Santa Barbara County Groundwater Sustainability Agency (GSA). He also met with General Manager Paeter Garcia from the Santa Ynez Water River Conservation District – ID1. He further adds he met with Santa Ynez Water River Conservation District General Manager Kevin Walsh and Groundwater Program Manager Bill Buelow. As part of his commentary he reminds everyone that while these agencies have

similar names, they are in fact two unrelated, distinct entities. GM Savage adds that he also met with County EHS to discuss the status of existing grants. He notes that the existing grant expired at the end of 2022 and that it cannot be extended; adding that he did discuss additional and future opportunities for the District regarding unused funds. GM Savage concludes with a note that the District is scheduled to present at the April 6, 2023 meeting of LAFCO. This meeting is expected to include a request for extension of District operations. He adds that a memorandum requesting the extension will be on the March 15, 2023 Regular meeting agenda for review and discussion by the Board of Directors.

At the prodding of President Fayram, requirements for Directors to turn in their Statement of Economic Interest, also known as the Form 700, are discussed by the Board and GM Savage. Counsel Trindle outlines potential penalties for failure to turn in a Form 700 and reminds Directors that he is not their individual Counsel and therefore cannot provide recommendations on what should or should not be included on their Statements of Economic Interest. GM Savage requests that Directors provide the District with a copy of their Form 700 after it has been filed.

## 11. COMMENTS

The Directors will provide comments and report on activities related to District business. Comments are informational only, no action will be taken, and public comment not received.

### A. 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.

All Directors report on the positive input they have received from community members regarding the January workshop. VP Ross – asks a question about how many parcel owners were at the workshop. GM Savage responds that he can tell how many people filled out unique property addresses on submitted questionnaires. President Fayram notes that he would like to see a “future agenda items” added to the Director Comments section of the agenda. GM Savage agrees to work with him to ensure the agenda accomplishes what he intends. Director Palmer notes that she thinks that a special meeting may be appropriate to discuss the REGEN TM, depending on when the memorandum is received and reviewed by the Technical Committee.

## 12. ADJOURNMENT

### Motion to adjourn at 7:35 PM.

Motion By: Director Palmer, Second: Director Kennedy

Ayes: Director Palmer, Director Palmer, Director Parks, Vice President Ross, President Fayram

Nays: None

Abstain: None

Respectfully submitted:



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



Approved:

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Tom Fayram,  
President

# ITEM 5B - INVOICE PAYMENT

INVOICE PAYMENT



201 N. Calle Cesar Chavez | Suite 300  
Santa Barbara, CA 93103

Main: 805 692 6921

[WWW.MNSENGINEERS.COM](http://WWW.MNSENGINEERS.COM)

- > CIVIL ENGINEERING
- > CONSTRUCTION MANAGEMENT
- > LAND SURVEYING

January 18, 2023

Project No: LOCD.180392.00

Invoice No: 82187

Los Olivos Community Services District

P.O. Box 553

Los Olivos, CA 93441

Principal Jeffrey Edwards  
 Project Manager Douglas Pike  
 Project LOCD.180392.00 District Support Services

This Invoice includes:

1. General District Support Tasks: \$735.00
2. Engineering Tasks:
  - a. Effluent Disposal Study: \$0
  - b. Monitoring well engineering and permitting support: \$0.00
  - c. Assessment Engineer: \$92.50
  - d. General Engineering Tasks: \$370.00
  - e. Grant Support: \$1,105.00 (WRE Draft Support)
3. PRA Request: \$0

**Professional Services for the Period: December 1, 2022 to December 31, 2022**

Level 2 TASK01 District Management

**Professional Personnel**

	Hours	Rate	Amount
Administrative Support			
Project Coordinator	7.00	105.00	735.00
Totals	7.00		735.00
<b>Total Labor</b>			<b>735.00</b>
		<b>Level 2 Subtotal</b>	<b>\$735.00</b>

Level 2 TASK02 Engineering Tasks

**Professional Personnel**

	Hours	Rate	Amount
Project Management			
District Engineer	5.50	185.00	1,017.50

Project	LOCSD.180392.00	District Support Services	Invoice	82187
Fund Development/Grant Applications				
	Administrative Analyst	5.00	110.00	550.00
	Totals	10.50		1,567.50
	<b>Total Labor</b>			<b>1,567.50</b>
			<b>Level 2 Subtotal</b>	<b>\$1,567.50</b>
			<b>Current Invoice Amount</b>	<b>\$2,302.50</b>

**Outstanding Invoices**

Number	Date	Balance
81166	9/9/2022	3,485.00
81982	12/20/2022	5,875.00
<b>Total</b>		<b>9,360.00</b>

# Billing Backup

Tuesday, February 21, 2023

MNS Engineers, Inc.

Invoice 82187 Dated 1/18/2023

4:28:26 PM

Project	LOCS.D.180392.00	District Support Services		
Level 2	TASK01	District Management		

**Professional Personnel**

	Hours	Rate	Amount
Administrative Support			
Project Coordinator			
Zepeda, Mary	12/1/2022	.50	105.00
File A&W and 2023 CSDA New Billing and Update Budget Tracking Log; Follow-up with GS re Financial Audit Availability			
Zepeda, Mary	12/15/2022	.50	105.00
Attend LOCS.D Audit Kickoff Meeting			
Zepeda, Mary	12/16/2022	2.50	105.00
Prepare GSI, MNS Confluence A&W (3), B2E, GWS, CSDS, GSI, GWS, MNS Invoices for payment via FIN; Update Budget Tracking Log			
Zepeda, Mary	12/19/2022	3.00	105.00
Finalize GSI, MNS Confluence A&W (3), B2E, GWS, CSDS, GSI, GWS, MNS Invoices for payment via FIN; Create and Process Single Payment Claims for A&W (3), B2E, GWS, CSDS, GSI, GWS, MNS Invoices for DP; Update Budget Tracking Log; Follow-up with SBC AH re JE-0239818 FIN Quarterly Billing Disbursement			
Zepeda, Mary	12/20/2022	.50	105.00
Upload and File MNS (2) New Billing and FIN Supporting Documentation with IA for 12/19/22 Payment; Update Budget Tracking Log			
Totals		7.00	735.00
<b>Total Labor</b>			<b>735.00</b>
<b>Level 2 Subtotal</b>			<b>\$735.00</b>

Level 2	TASK02	Engineering Tasks		
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**Professional Personnel**

	Hours	Rate	Amount
Project Management			
District Engineer			
Pike, Douglas	12/9/2022	.50	185.00
Mtg w/Guy re: NV5 Proposal & Workshops			
Pike, Douglas	12/13/2022	2.50	185.00
Draft Report SWRF & Submit			
Pike, Douglas	12/14/2022	1.50	185.00
Attend District Meeting, Report of SWRF Grant Report status			
Pike, Douglas	12/15/2022	.50	185.00
Auditor Meeting			
Pike, Douglas	12/16/2022	.50	185.00
Upload Draft Reepport to State FFAST System			
Fund Development/Grant Applications			
Administrative Analyst			
Reineke, Elizabeth	12/30/2022	5.00	110.00

Work on compiling information to go into the Construction Permit  
for the CWSRF Grant Applicatin for Los Olivos

Totals	10.50	1,567.50	
<b>Total Labor</b>			<b>1,567.50</b>
		<b>Level 2 Subtotal</b>	<b>\$1,567.50</b>
		<b>Project Total</b>	<b>\$2,302.50</b>
		<b>Total this Report</b>	<b>\$2,302.50</b>



201 N. Calle Cesar Chavez | Suite 300  
Santa Barbara, CA 93103

Main: 805 692 6921

[WWW.MNSENGINEERS.COM](http://WWW.MNSENGINEERS.COM)

- > CIVIL ENGINEERING
- > CONSTRUCTION MANAGEMENT
- > LAND SURVEYING

February 21, 2023

Project No: LOCD.180392.00

Invoice No: 82448

Los Olivos Community Services District

P.O. Box 553

Los Olivos, CA 93441

Principal Jeffrey Edwards  
Project Manager Douglas Pike  
Project LOCD.180392.00 District Support Services

This Invoice includes:

1. General District Support Tasks: \$958.75
2. Engineering Tasks:
  - a. Effluent Disposal Study: \$0.00
  - b. Monitoring well engineering and permitting support: \$0.00
  - c. Assessment Engineer: \$0.00
  - d. General Engineering Tasks: \$277.50
  - e. Grant Support: \$1,480.00 (WRF Draft Support)
3. PRA Request: \$0.00

**Professional Services for the Period: January 1, 2023 to January 31, 2023**

Level 2 TASK01 District Management

**Professional Personnel**

	Hours	Rate	Amount	
Administrative Support				
Project Coordinator	8.25	105.00	866.25	
Project Management				
District Engineer	.50	185.00	92.50	
Totals	8.75		958.75	
<b>Total Labor</b>				<b>958.75</b>
				<b>Level 2 Subtotal</b>
				<b>\$958.75</b>

Level 2 TASK02 Engineering Tasks

**Professional Personnel**

	Hours	Rate	Amount	
Project Management				
District Engineer	9.50	185.00	1,757.50	
Totals	9.50		1,757.50	
<b>Total Labor</b>				<b>1,757.50</b>
		<b>Level 2 Subtotal</b>		<b>\$1,757.50</b>
		<b>Current Invoice Amount</b>		<b>\$2,716.25</b>

**Outstanding Invoices**

Number	Date	Balance
82187	1/18/2023	2,302.50
<b>Total</b>		<b>2,302.50</b>



# Billing Backup

Tuesday, February 21, 2023

MNS Engineers, Inc. Invoice 82448 Dated 2/21/2023 10:51:01 AM

Project	LOCS.D.180392.00	District Support Services
Level 2	TASK01	District Management

## Professional Personnel

		Hours	Rate	Amount
Administrative Support				
Project Coordinator				
Zepeda, Mary	1/12/2023	3.50	105.00	367.50
Prepare ConfluenceES, GSI (2), GWS, MNS(2), NV5 Invoices for payment via FIN; Follow-Up with DM re GSI Outstanding Invoices; Update Budget Tracking Log				
Zepeda, Mary	1/13/2023	3.50	105.00	367.50
Create and Process Single Payment Claims for ConfluenceES, GSI (2), GWS, MNS(2), NV5 Invoices for DP; Follow-Up with DM re GSI Outstanding Invoices and Update Budget Tracking Log; Follow-up with SBC Auditor Help Desk re need for Existing Vendor Update due to GSI office relocation.				
Zepeda, Mary	1/17/2023	1.25	105.00	131.25
Research FIN Inbox Notification for DP; Contact SBC Auditor Help Desk to confirm steps needed to address Vendor Remittance Address Change; Submit Ven Mod for GSI for DP				
Project Management				
District Engineer				
Pike, Douglas	1/3/2023	.50	185.00	92.50
Audit File links to Alexander Hom <ahom@mlhcpas.com>				
Totals		8.75		958.75
<b>Total Labor</b>				<b>958.75</b>
<b>Level 2 Subtotal</b>				<b>\$958.75</b>

Level 2	TASK02	Engineering Tasks
---------	--------	-------------------

## Professional Personnel

		Hours	Rate	Amount
Project Management				
District Engineer				
Pike, Douglas	1/11/2023	1.50	185.00	277.50
State Water Board Communications with Jody Hack, Attend Board Meeting/Workshop				
Pike, Douglas	1/17/2023	3.00	185.00	555.00
RWF Grant Draft Report Update				
Pike, Douglas	1/28/2023	5.00	185.00	925.00
State Recycled Water Feasibility Report				
Totals		9.50		1,757.50
<b>Total Labor</b>				<b>1,757.50</b>
<b>Level 2 Subtotal</b>				<b>\$1,757.50</b>
<b>Project Total</b>				<b>\$2,716.25</b>
<b>Total this Report</b>				<b>\$2,716.25</b>



650 NE Holladay St., Suite 900  
 Portland, OR 97232  
 P: 503.239.8799  
 accounting@gsiws.com  
 www.gsiws.com

Los Olivos Community Services District  
 PO Box 345  
 Los Olivos, CA 93441

February 09, 2023  
 Invoice No: 00876.001 - 23

Project 00876.001 Groundwater Quality Management Services

- Prepare technical memo for Monitoring Wells
- Review water quality results
- Project management

**Professional Services from January 1, 2023 to January 31, 2023**

Task .004 Technical Memorandum and Submittals

**Labor**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>	
Principal Consultant				
Thompson, Timothy	6.50	265.00	1,722.50	
Managing Geologist				
Lapostol, Andres	13.75	135.00	1,856.25	
Project Geologist				
Gauthier, John	4.00	130.00	520.00	
GIS/Graphics/Database				
Palmer, Nicole	.50	125.00	62.50	
Administration				
Steensma, Nancy	.50	90.00	45.00	
<b>Totals</b>	<b>25.25</b>		<b>4,206.25</b>	
<b>Total Labor</b>				<b>4,206.25</b>
				<b>Total this Task</b>
				<b>\$4,206.25</b>

**Project Summary**

	<b>Current Period</b>	<b>Prior Periods</b>	<b>Invoiced to Date</b>
Total Billings	4,206.25	90,081.27	94,287.52
Authorized Budget			95,900.00
Budget Remaining			1,612.48
			<b>Total this Invoice</b>
			<b><u><u>\$4,206.25</u></u></b>

**Outstanding Invoices**

<b>Number</b>	<b>Date</b>	<b>Balance</b>
18	9/13/2022	510.00
20	11/7/2022	3,265.00
22	1/12/2023	1,931.25
<b>Total</b>		<b>5,706.25</b>

**Regen, PLLC**

213 S 11th St  
ID US  
+1 2087948558  
accounting@regenaec.com



**INVOICE**

**BILL TO**  
Guy Savage  
PO Box 345  
Los Olivos, CA 93441

**INVOICE** 1228  
**DATE** 02/17/2023  
**TERMS** Due on receipt  
**DUE DATE** 02/17/2023

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
02/17/2023	Consulting	Technical Memorandum Wastewater Treatment / Dispersal Alternatives Review & Recommendations	34	250.00	8,500.00
02/17/2023	Consulting	Technical Writer	6	120.00	720.00

BALANCE DUE **\$9,220.00**

# INVOICE

**FROM:**

Guy W. Savage  
PO Box 894  
Los Olivos, Ca 93441

**BILL TO:**

Via electronic delivery  
President Thomas Fayram  
Los Olivos Community Services District  
PO Box 345  
Los Olivos, Ca 93441

**Invoice # 20232**  
**Invoice Date: 3/1/2023**

Dear President Fayram,

Please see the below for professional services provided, plus any expenditures made on behalf of the District. The attached tally of hours (units) exceeds those being billed below. This is being done to track the hours for future reference. Per agreement, the hours will be capped at the number below or as authorized by the President.

Date	Description	Units	Rate	Amount
3/1/2023	General Manager Services - LOCSD (2/1/23-2/28/23) See Attached for Details	28.5	\$ 135.00	\$ 3,847.50
<b>Total</b>				<b>\$ 3,847.50</b>

Thank you for your continued support.



Email: [GM.LOCSD@gmail.com](mailto:GM.LOCSD@gmail.com)

Date	Description	Hours	Rate	Amount
2-Feb	Waterboards - funding opportunities	1	\$ 135.00	\$ 135.00
3-Feb	SYVRWCD - Kevin Walsh / Bill Buelow	2.25	\$ 135.00	\$ 303.75
	Finance Agenda	2	\$ 135.00	\$ 270.00
6-Feb	Regular Agenda	1	\$ 135.00	\$ 135.00
7-Feb	Finance meeting and minutes	1.25	\$ 135.00	\$ 168.75
	Fayram meeting	0.5	\$ 135.00	\$ 67.50
8-Feb	Regular Agenda	1.25	\$ 135.00	\$ 168.75
9-Feb	REGEN TM review, coordination, and commentary	1.5	\$ 135.00	\$ 202.50
12-Feb	Regular Agenda	0.5	\$ 135.00	\$ 67.50
13-Feb	LAFCO coordination	0.25	\$ 135.00	\$ 33.75
14-Feb	Quarterly update	1.5	\$ 135.00	\$ 202.50
15-Feb	Regular meeting	3	\$ 135.00	\$ 405.00
16-Feb	2.15 minutes, posting to web	2.25	\$ 135.00	\$ 303.75
21-Feb	Bills	0.5	\$ 135.00	\$ 67.50
	REGEN TM review, coordination, and commentary	0.5	\$ 135.00	\$ 67.50
22-Feb	Form 700s, website updates, etc.	0.75	\$ 135.00	\$ 101.25
	Quarterly update	3.25	\$ 135.00	\$ 438.75
23-Feb	County - Workday implementation webinar	1	\$ 135.00	\$ 135.00
25-Feb	Billing	0.75	\$ 135.00	\$ 101.25
	Secretary of State filing	0.5	\$ 135.00	\$ 67.50
26-Feb	Quarterly update	0.75	\$ 135.00	\$ 101.25
	Audit follow up	0.5	\$ 135.00	\$ 67.50
	Insurance renewal - SDRMA	0.5	\$ 135.00	\$ 67.50
	Email contacts update	0.25	\$ 135.00	\$ 33.75
27-Feb	Fayram meeting	0.75	\$ 135.00	\$ 101.25
28-Feb	Regen TM	0.25	\$ 135.00	\$ 33.75
	<b>Totals</b>	<b>28.5</b>	<b>\$</b>	<b>3,847.50</b>

# ITEM 6 – INDEPENDENT AUDITOR’S REPORT

## INDEPENDENT AUDITOR’S REPORT

**LOS OLIVOS COMMUNITY  
SERVICES DISTRICT**

FINANCIAL STATEMENTS  
June 30, 2019

**LOS OLIVOS COMMUNITY SERVICES DISTRICT**  
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June 30, 2019

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**FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

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

### Report on the Financial Statements

We have audited the accompanying financial statements of the Los Olivos Community Services District (the District) as of and for the period May 24, 2018 through June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Los Olivos Community Services District, as of June 30, 2019, and the respective changes in financial position thereof and, where applicable, cash flows thereof for the period May 24, 2018 through June 30, 2019 in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2023, on our consideration of the Los Olivos Community Services District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Mosa, Keny & Halzheim LLP*

Santa Maria, CA  
March 2, 2023

**LOS OLIVOS COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
June 30, 2019

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**ASSETS**

Cash in county treasury	\$	117,220
Interest receivable		568
Total assets		<u>117,788</u>

**LIABILITIES**

Accounts payable		14,530
Total liabilities		<u>14,530</u>

**NET POSITION**

Unrestricted		103,258
Total net position	\$	<u>103,258</u>

The notes to basic financial statements are an integral part of these basic financial statements.

**LOS OLIVOS COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION -**  
**PROPRIETARY FUND**  
For the Period May 24, 2018 through June 30, 2019

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<b>Operating Expenses:</b>	
Office expense	\$ 70
Professional services	24,475
Insurance	1,784
Contractual services	59,661
Other services and supplies	<u>1,837</u>
 Total operating expenses	 <u>87,827</u>
 Operating Loss	 <u>(87,827)</u>
<b>Non-Operating Revenues (Expenses):</b>	
Interest income	1,675
Assessments	<u>189,410</u>
 Total Non-Operating Revenues (Expenses)	 <u>191,085</u>
 Change in net position	 103,258
<b>Net Position</b>	
Net Position, beginning of fiscal year	<u>                    </u>
 Net Position, end of fiscal year	 <u><u>\$ 103,258</u></u>

The notes to basic financial statements are an integral part of these basic financial statements.

**LOS OLIVOS COMMUNITY SERVICES DISTRICT**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUND**  
For the Period May 24, 2018 through June 30, 2019

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Payments to vendors	\$ (73,297)
Net cash used by operating activities	<u>(73,297)</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Property assessments	<u>189,410</u>
Net cash provided by noncapital financing activities	<u>189,410</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	<u>1,107</u>
Net cash provided by investing activities	<u>1,107</u>

Net increase in cash and cash equivalents	117,220
Cash and cash equivalents - May 24, 2018	<u>                    </u>
Cash and cash equivalents - June 30, 2019	<u>\$ 117,220</u>
Reconciliation to Statement of Net Position:	
Cash in county treasury	<u>\$ 117,220</u>

**Reconciliation of operating loss to net cash used by operating activities:**

Operating loss	\$ (87,827)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Change in assets and liabilities:	
Accounts payable	<u>14,530</u>
Net cash used by operating activities	<u>\$ (73,297)</u>

The notes to basic financial statements are an integral part of these basic financial statements.

**NOTE 1 - ORGANIZATION**

The Los Olivos Community Services District is an independent governmental unit within the unincorporated area of the County of Santa Barbara and derives its decision-making capabilities from State legislation. The District is governed by a Board of Directors elected to serve four-year terms. The primary purpose of the District is the building and operation of facilities needed to collect, treat, and dispose of sewage, wastewater, recycled water, and storm water.

There are no component units included in this report which meet the criteria of the Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statements No. 39, No. 61, and No. 80.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. Accounting Policies - The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the District has opted to apply all applicable GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

- B. Accounting Method - The District is organized as an Enterprise Fund and follows the accrual method of accounting, whereby revenues are recorded when earned and expenses are recorded when incurred.

- C. Fund Financial Statements - The fund financial statements provide information about the District's proprietary fund.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

GASB Statement No. 34 defines major funds and requires that the District's major business-type fund be identified and presented separately in the fund financial statements.

Major funds are defined as funds that have assets, liabilities, revenues, or expenses equal to ten percent of their fund-type total and five percent of the grand total. The District maintains one proprietary fund.

Proprietary Fund Type

Enterprise Fund:

Enterprise fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The District reported its enterprise fund as a major fund in the accompanying basic financial statements.

Sewer Fund – The Sewer Fund is to account for the provision of sewer services to the residents of the District.

- D. Cash and Cash Equivalents – For purposes of the statement of cash flows, cash and cash equivalents include restricted and unrestricted cash and investments with original maturities of three months or less.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- E. Property, Plant and Equipment – Capital assets purchased by the District are recorded at cost. Contributed or donated capital assets are recorded at fair value when acquired.
- F. Depreciation – Capital assets purchased by the District are depreciated over their estimated useful lives (ranging from 5-50 years) under the straight-line method of depreciation according to the following schedule:

<u>Item</u>	<u>Years</u>
Office Furniture and Equipment	5
Plant Equipment	10-20
Manholes, Laterals, and Sewer lines	30
Treatment Plant Structures	30-50

- G. Receivables - The District did not experience any significant bad debt losses; accordingly, no provision has been made for doubtful accounts and accounts receivable are shown at full value.
- H. Construction in Progress - The District occasionally constructs capital assets for its own use in the plant operations. The costs associated with these projects are accumulated in a construction in progress account while the project is being developed. Once the project is completed, the entire cost of the constructed assets are transferred to the capital assets account and depreciated over the estimated useful life of the capital assets.
- I. Use of Estimates -The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.
- J. Net Position - GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position that is net investment in capital assets, consists of capital assets, net of accumulated depreciation, and reduced by the outstanding principal of related debt. Restricted net position are those net position that have external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. Unrestricted net position consist of net position that do not meet the definition of invested in capital assets, net of related debt, or restricted net position.

K. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after June 15, 2021.



**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**K. Future Accounting Pronouncements (Continued)**

Statement No. 89	"Accounting for Interest Cost Incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 15, 2020.
Statement No. 90	"Majority Equity Interests-an Amendment of GASB Statements No. 14 and No. 61"	The provisions of this statement are effective for fiscal years beginning after December 15, 2019.
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 15, 2021.

**NOTE 3 - CASH AND INVESTMENTS**

On June 30, 2019, the District had the following cash and investments on hand:

Cash in county treasury	\$ <u>117,220</u>
Total cash and investments	\$ <u>117,220</u>

Cash and investments listed above, are presented on the accompanying statement of net position as follows:

Cash in county treasury	\$ <u>117,220</u>
	\$ <u>117,220</u>

The District categorizes its fair value measurements within the fair value hierarchy established by U.S. Generally Accepted Accounting Principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. These principles recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District had investments in the Santa Barbara County investment pool, that investment is measured under Level 2.

Investments Authorized by the District's Investment Policy

The District's investment policy only authorizes investment in the local government investment pool administered by the County of Santa Barbara. The District's investment policy does not contain any specific provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**LOS OLIVOS COMMUNITY SERVICES DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
 June 30, 2019

**NOTE 3 - CASH AND INVESTMENTS (Continued)**

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Carrying Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months Or Less</u>	<u>13-24 Months</u>	<u>25-60 Months</u>	<u>More than 60 Months</u>
Santa Barbara County Investment Pool	\$ 117,220	\$ 117,220	\$ -	\$ -	\$ -
Total	\$ 117,220	\$ 117,220	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization. Presented below, is the minimum rating required by the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Minimum Carrying Amount</u>	<u>Exempt Legal Rating</u>	<u>From Disclosure</u>	<u>Rating as of Fiscal Year End</u>		
				<u>AAA</u>	<u>Aa</u>	<u>Not Rated</u>
Santa Barbara County Investment Pool	\$ 117,220	N/A	\$ -	\$ -	\$ -	\$ 117,220
Total	\$ 117,220		\$ -	\$ -	\$ -	\$ 117,220

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

Investment in Santa Barbara County Investment Pool

The District is a participant in the Santa Barbara County Investment Pool that is regulated by the California Government Code. The fair value of the District's investment in this pool is based upon the District's pro-rata share of the fair value provided by the Santa Barbara County Investment Pool for the entire Santa Barbara County Investment Pool portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the Santa Barbara County Investment Pool, which are recorded on an amortized cost basis.

**NOTE 4 – COMMITMENTS AND CONTINGENCIES**

According to the District's staff and attorney, no contingent liabilities are outstanding and no lawsuits are pending of any real financial consequence.

# ITEM 7 – TECHNICAL RECOMMENDATION TM

TECHNICAL RECOMMENDATION TM



Technical Memorandum

**LOS OLIVOS WASTEWATER  
COMPARISONS OF REGIONAL AND  
LOCAL ALTERNATIVES**

Date: 3/10/2023

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## Executive Summary

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The purpose of this technical memorandum (TM) is to compare regional and local treatment and dispersal alternative systems and make an initial recommendation on the best approach for the unincorporated community of Los Olivos. This TM has been conducted by Regen AEC (Regen) for the Los Olivos Community Service District (LOCSD) and the Los Olivos Wastewater Reclamation Program Project (LOWRPP).

The analysis included the comparison of multiple regional and multiple local solutions utilizing on a rubric scale with the following categories:

- Economics (Capital and Ongoing Costs)
- Performance (Effluent quality and performance reliability)
- Operations (Complexity of operation)
- Social Impacts (Location, appearance, growth impacts, and disruption during construction)

The alternatives were compared utilizing a scoring matrix from one to five (1-5), with one being the lowest ranking and five being the highest ranking. The matrix has been divided into four categories (above), including various focal elements within each category.

- Centralized Membrane BioReactor treatment with immediate implementation of reuse
- Centralized Membrane BioReactor treatment to percolation chambers
- Centralized secondary treatment to percolation chambers
- Distributed secondary treatment systems to percolation chambers, three to five separate systems distributed throughout the community
- Advanced Onsite for Individual homes & businesses with nitrogen specific treatment
- Hybrid combination of distributed secondary treatment in dense sections of the community and advanced onsite individual home systems in less dense areas

As part of our examination of the community, Regen studied numerous documents and studies provided by the LOCSD, including the technical documents available on the LOCSD website. Regen also attended meetings and watched video of LOCSD meetings to better understand the desires of the community. The review and communication conducted during this contract allowed for the weighting of the various elements within each category based on what is believed to be the communities perspective on prioritization of concerns. As additional data is collected the scoring can continue to be fine-tuned.

Certain processes such as lagoons or other passive-type systems were not included as the requirements for treatment performance based on previous work and regulatory commentary will require nitrogen reduction processes, which are not typically compatible with these types of systems.

Based on the results from the rubric, the Centralized Secondary Treatment to Percolation Chambers alternative scored the highest in two of the four categories including economics,

and operation while also scoring high in performance and social impacts. These systems are proven approaches with technologies that have been approved and implemented for decades.

The Distributed Secondary Systems, Hybrid Alternative, and MBR to Percolation Chambers approaches scored within a reasonable margin to the Centralized Secondary Treatment alternative and should remain in consideration. Centralized secondary treatment, Distributed secondary treatment, and Hybrid alternatives can be adapted to include tertiary equipment for future adaptation to reuse.

The rubric’s overall results are shown in the table below. Centralized Secondary Treatment to Percolation Chambers is the recommended approach for treatment and dispersal of treated waters for the LOWRPP project based on current available information.

#### Alternatives Scoring

Centralized Secondary Treatment to Percolation Chamber	68.4%
Distributed Secondary Treatment to Percolation Chambers Systems	68%
Hybrid Distributed / Advanced Onsite	66.4%
Membrane BioReactor (MBR) Treatment to Percolation Chambers	65.2%
Membrane BioReactor (MBR) Treatment to Immediate Implementation of Reuse	60.4%
Advanced Onsite Treatment and Onsite Dispersal Systems	55.2%

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# Introduction

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The community of Los Olivos is implementing a sewer project, which includes evaluating and applying long term solutions for the collection, treatment, and reuse/dispersal of its wastewaters. Regen has been contracted to assist the Los Olivos Community Services District with the evaluation of alternatives for the community's wastewater treatment and dispersal/reuse systems.

The purpose of this technical memorandum is to compare centralized, distributed, and onsite treatment alternative systems, and make an initial recommendation on the best approach for the community.

Considerations for regional community wastewater reuse treatment solutions include:

- Centralized Membrane BioReactor treatment to immediate implementation of reuse
- Centralized Membrane BioReactor treatment to percolation chambers
- Centralized Traditional secondary treatment to percolation chambers

Considerations for localized community alternative wastewater solutions include:

- Distributed secondary treatment systems, three to five separate systems distributed throughout the community.
- Advanced Onsite for Individual homes & businesses with nitrogen specific treatment
- Hybrid combination of secondary treatment in dense sections of the community and advanced onsite individual home systems in less dense areas

Within this technical memorandum Regen Engineering developed a ranking system to assist in the evaluation of the various solutions within the community.

This technical memorandum is organized with the following sections:

- Introduction
- Methodology
- Alternative Comparisons & Ranking
- Results and Recommendations



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## Methodology

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The alternatives were compared utilizing a scoring matrix from one to five (1-5), with one being the lowest ranking and five being the highest ranking. The matrix has been divided into four categories, including various focal elements within each category. All the criteria are based on previous work completed by various sources and by engineers' experiences with the various alternatives. Scoring is meant to provide guidance for general considerations and does not include a final analysis of specific equipment. The following categories were utilized within the scoring matrix.

### *Economic*

The economic category includes the initial and long-term costs associated with various alternatives. Elements within this category include the following:

- **Capital Costs:** Includes equipment, construction, and soft costs associated with the implementation of the various alternatives.
- **Annual Maintenance Costs:** Includes personnel and material costs associated with the maintenance of the various technologies.
- **Energy Efficiency:** Includes estimates on the energy efficiency of the various technologies in comparison to each other.
- **Repair Costs:** Includes all personnel and equipment associated with the repairs of equipment.
- **Replacement Costs:** Includes all equipment associated with the replacement of parts.

### *Performance*

The performance category includes the expected quality of effluent, quality of equipment, and the equipment's ability to handle fluctuations. Elements within this category include the following:

- **Overall Effluent Quality:** The level of effluent quality produced by the treatment technologies in general. Associated with the requirements of the dispersal alternatives.
- **Nitrogen Reduction Capabilities:** The capability of treatment technologies to reduce total nitrogen (TN).
- **Reuse Quality:** The treatment technologies' capabilities to meet reuse quality, typically a Title 22 standard.
- **Innovation:** The innovative approach of various technologies to achieve treatment.
- **Proven Technology:** The years of proven performance of a specific technology.
- **Handles Fluctuating Flows:** The hydraulic loads that include diurnal patterns or other patterns that may impact the performance of pumps and treatment equipment.
- **Handles Fluctuating Strengths:** The characteristic loads that can impact the performance of treatment equipment.
- **Modular Design:** The modular capabilities of the technology, based on the low hydraulic design capacity of the community.

## Operations

The operations category includes the operational elements associated with various alternatives. Elements within this category include the following:

- **Operation Simplicity:** Simplicity of ongoing operations of the technology.
- **Maintenance Requirements:** Level of maintenance required to maintain proper operation of the technology.
- **Repair & Replacement Difficulty:** Difficulty and complexity with respects to the repair and replacement of components within the specific technology.
- **Start-up Simplicity:** Simplicity of commissioning of the system after installation.
- **Sludge Management:** Management of sludge associated with the technology.
- **Equipment Cleaning Frequency:** The frequency in which equipment needs maintained and/or replaced.
- **Chemical Additions:** Costs associated with additive chemicals to clean or enhance the process.

## Social Impacts

The social category includes the impact to the community associated with various alternatives. Impacts typically arise due to the time and costs associated with permitting and funding, the physical impacts including aesthetics, locations, and odors, and impacts associated with disruption during construction events. Elements within this category include the following:

- **Simplicity of Approval Process:** This criterion considers the difficulties in obtaining permits and agency approvals. Examples of permits include county septic approvals or Regional Water Quality Control Board (RWQCB) water reuse permits.
- **Grant Funding Potential:** This criterion considers the potential to obtain grant funding based on comments from the RWQCB and County Environmental Health Services (EHS) during the January 10, 2023 workshop.
- **Location:** This criterion considers the complexities of siting various alternatives within the community.
- **Aesthetics:** This criterion considers the “out of the box” aesthetics of the various alternatives.
- **Potential for Odors:** This criterion considers the potential for odors of the various treatment and dispersal/reuse alternatives.
- **Potential Impact to Growth:** This criterion considers the expected impact of a given technology on growth potential.
- **Construction Disruption to Community:** This criterion considers the disruption to the community during the construction process.
- **Ongoing Disruption to Community:** This criterion considers the disruption to the community that is ongoing after initial construction event.

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## Alternative Comparison & Rankings

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Alternative solutions to handle the wastewater from residential and commercial landowners within the community of Los Olivos have been discussed for many years. Based on previous analysis, community discussion, and regulatory input, the top tier alternatives have been categorized as follows:

### **Centralized Membrane BioReactor (MBR) Treatment to Immediate Implementation of Reuse**

This approach assumes a single regional MBR treatment system designed to meet 10 mg/L total nitrogen (TN) and tertiary treatment levels for full reuse of effluent through the community.

### **Centralized Membrane BioReactor (MBR) Treatment to Percolation Chambers**

This approach assumes a single regional MBR treatment system designed to meet 10 mg/L TN prior to a large cluster dispersal system utilizing percolation chambers as described in the technical memorandum provided by GSI Water Solutions Inc & Confluence Engineering Solutions (ConfluenceES) on December 7, 2022.

### **Centralized Secondary Treatment to Percolation Chambers**

This approach assumes a single regional traditional secondary treatment system designed to meet 10 mg/L TN prior to a large cluster dispersal system utilizing percolation chambers as described in the GSI & ConfluenceES technical memorandum.

### **Distributed Secondary Treatment Systems to Percolation Chambers**

A phased approach utilizing distributed systems throughout the community would consider handling the downtown core area including nearby residences as a single alternative system and developing additional regional systems at strategic locations throughout the remainder of the community.

### **Advanced Onsite Treatment and Onsite Dispersal Systems**

This approach assumes the use of individual advanced onsite systems to treat wastewater to acceptable levels (assumed 10 mg/L TN based on RWQCB and EHS discussion on Jan. 10, 2023). It has been assumed that the district would be responsible for ongoing operation and maintenance as well as capital improvement of individual systems.

### **Hybrid Distributed Secondary Treatment and Advanced Onsite Combined Alternative**

This approach assumes the use of an MBR to percolation chambers for downtown and parcels under 2.5 acres and advanced onsite alternatives for parcels over 2.5 acres.

The above alternatives include a wide variety of systems ranging from activated sludge, attached growth, fixed film, and other similar processes. Certain processes such as lagoons or other passive-type systems were not included as the requirements for treatment performance based on previous work and regulatory commentary require nitrogen reduction processes, which are not typically compatible with these types of systems.

## ***Weighting Factors***

The weighting factors have been derived from a combination of the survey completed by the Los Olivos Sewer District during the workshop on January 24, 2023, and conversations between Regen and the LOCSD during regular meetings. The weighting factors of each category and element are utilized to best weigh what is important to the community, along with the importance of various elements associated with technology selection. Critical elements identified during the in-person and online surveys include Capital Costs, Operation & Maintenance Costs, Ownership, Location, and Impacts to Growth.

The weight scale was completed in even increments with a total weighted relevance of 100%. Each element within the categories was provided a weight that is believed to be a specific representation of the Los Olivos community. It should also be noted that at the January 24, 2023 workshop, the community ranked percolation chambers as the primary dispersal alternative with reuse coming in as a desirable second alternative. Although the preference appeared to be percolation chambers it is unclear if an alternative combination of percolation and reuse may be a more desirable alternative for the community.

## ***Ranking Scale***

The ranking scale utilized a one to five (1-5) scoring based on the alternatives ability to meet the criteria lined out as described below. Scores were then multiplied by the weight associated with each element to provide an overall weighted score. Weighting and weighted scores have been provided, along with rankings, in Table 1.

### **Economic Ranking**

**Capital Costs:** A value of one has been assigned to the highest capital cost alternative. A value of five has been assigned to the lowest cost capital alternative. Capital cost ranking was based on previous engineering analysis and the engineers' extensive experience in estimating treatment technologies for decentralized applications.

**Annual Maintenance Costs:** A value of one has been assigned to the highest expected maintenance cost alternative. A value of five has been assigned to the lowest expected maintenance cost alternative.

**Energy Efficiency:** A value of one has been assigned to the highest energy consuming alternative. A value of five has been assigned to the lowest energy consuming alternative.

**Repair Costs:** A value of one has been assigned to the highest expected repair costs alternative. A value of five has been assigned to the lowest expected repair cost alternative. Repair costs are based on mechanical or physical equipment components that have the potential for failure and require replacement along with the components relative value.

**Replacement Costs:** A value of one has been assigned to the highest replacement costs alternative. A value of five has been assigned to the lowest replacement cost alternative. Replacement components can be costly and are not typically considered in the evaluation of equipment alternatives. A value of one was given if major equipment component replacement

was more frequent than two years. A value of five was given if the major component replacement frequency was greater than 30 years.

## Performance Ranking

**Overall Effluent Quality:** A value of one has been assigned to the lowest effluent quality alternative. A value of five has been assigned to the highest effluent quality alternative.

**Nitrogen Reduction Capabilities:** A value of one has been assigned to an alternative that does not address nitrogen reduction. A value of five has been assigned to the alternative with the greatest potential to address nitrogen reduction.

**Reuse Quality:** A value of one has been assigned to an alternative that does not have the ability to provide reuse quality water. A value of five has been assigned to the alternative that does provide reuse quality water.

**Innovative:** A value of one has been assigned to an alternative that does not utilize innovative approaches to treat or disperse water. A value of five has been assigned an alternative that utilized extremely innovative approaches to treat or disperse water. Innovation can be attractive but does not come without concerns. In the same way, progress relies on innovation and is necessary to improve on traditional approaches.

**Proven Technology:** A value of one has been assigned to an alternative that does not have a proven track record. A value of five has been assigned an alternative that has a long-established track record. Technology track record can be somewhat subjective and needed to be evaluated based on the size of the system and the years of proven performance within the scale being analyzed. Additionally, systems that have a long-proven track record are not always the best solution for a given community or system size. Early adopters of technology may consider a technology to be “proven” after a relatively short period of time, whereas late adopters may not consider something proven until the technology has been successfully deployed for many centuries.

**Handles Fluctuating Flows:** A value of one has been assigned to an alternative that does not have capacity to handle fluctuating flows. A value of five has been assigned to the alternative that is designed to handle large fluctuations in flow.

**Handles Fluctuating Strengths:** A value of one has been assigned to an alternative that does not have capacity to handle fluctuating waste strengths. A value of five has been assigned to the alternative that is designed to handle large fluctuations in waste strength.

**Modular Design:** A value of one has been assigned to an alternative that does offer the ability to modulate the equipment in phases. A value of five has been assigned to the alternative that can easily be adapted to modulate equipment in phases.

## Operation Ranking

**Operation Simplicity:** A value of one has been assigned to the most complex alternative from an operations perspective. A value of five has been assigned to the simplest alternative from an operations perspective.

**Maintenance Requirements:** A value of one has been assigned to the most complex alternative from a maintenance perspective. A value of five has been assigned to the simplest alternative from a maintenance perspective.

**Repair & Replacement Difficulty:** A value of one has been assigned to an alternative that requires complex equipment replacement and repair. A value of five has been assigned an alternative requires no complex equipment replacement or repair.

**Start-up Simplicity:** A value of one has been assigned to an alternative requires extensive start-up oversight or time. A value of five has been assigned an alternative that does not require start-up oversight or time.

**Sludge Management:** A value of one has been assigned to an alternative required extensive sludge management practices and time. A value of five has been assigned to an alternative that does not require sludge management.

**Equipment Cleaning Frequency:** A value of one has been assigned to an alternative that requires very frequent equipment cleaning (daily). A value of five has been assigned an alternative that requires no equipment cleaning.

**Chemical Additions:** A value of one has been assigned to an alternative that requires a large volume of chemicals to enhance the treatment process or for cleaning purposes. A value of five has been assigned an alternative that requires no chemicals for cleaning or treatment enhancement.

## Social/Regulatory Ranking

**Simplicity of Approval Process:** A value of one has been assigned to an alternative that is unlikely to be approved within the regulatory jurisdiction. A value of five has been assigned an alternative that is a highly likely if not guaranteed to be approved within the regulatory jurisdiction.

**Grant Funding Potential:** A value of one has been assigned to an alternative that is unlikely to receive grant money in support of the project scope. A value of five has been assigned an alternative that is a highly likely to receive grant funding in support of the project scope.

**Location:** A value of one has been assigned to an alternative that requires a very large district owned footprint. A value of five has been assigned an alternative that requires no district owned footprint.

**Aesthetics:** A value of one has been assigned to an alternative that is very difficult to make attractive from the community view. A value of five has been assigned an alternative that can be built or hidden to remain aesthetically pleasing to the community.

**Potential for Odors:** A value of one has been assigned to an alternative that has historically proven to have odor potential. A value of five has been assigned an alternative that has a track record for not producing odors.

**Potential Impact to Growth:** A value of one has been assigned to an alternative that would provide the greatest potential for community growth. A value of five has been assigned an alternative that would limit any potential growth within the community. This ranking is based on the community feedback the engineer has received. The desire to keep the community small and quaint has been expressed multiple times. It is likely that the opposite is true for some community members, however this perspective was taken based on community feedback to date.

**Construction Disruption to Community:** A value of one has been assigned to an alternative that would cause a large amount of disruption during the construction phase of the project. A value of five has been assigned an alternative that would have no disruption to the community during construction.

**Ongoing Disruption to Community:** A value of one has been assigned to an alternative that would cause a large amount of disruption during the operation phase of the project. A value of five has been assigned an alternative that would have no disruption to the community during ongoing operation of the system.

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## Results and Recommendations

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As shown in Table 1 and the expanded version in the appendix, the Centralized Secondary Treatment to Percolation Chambers alternative had the highest score, with Distributed Systems approach as a close second alternative. The Hybrid approach was the third highest score, not far behind Secondary Treatment and Distributed Systems. The use of an MBR to Percolation was not far behind these alternatives and presents an optional alternative for further investigation.

The MBR to Reuse alternative as specified in previous work scored below the above alternatives, mainly due to expected costs of the system. Additionally, Advanced Onsite alternative scored the lowest due to the social and regulatory barriers as well as performance categories.

The scoring of the various alternatives, from highest to lowest, is as follows:

- Centralized Secondary Treatment to Percolation Chambers: 68.4%
- Distributed Secondary Treatment Systems to Percolation Chambers Systems: 68%
- Hybrid Distributed / Advanced Onsite Approach: 66.4%
- Centralized Membrane BioReactor (MBR) to Percolation Chambers: 65.2%
- Centralized Membrane BioReactor (MBR) to Immediate Implementation of Reuse: 60.4%
- Advanced Onsite Treatment and Onsite Dispersal Systems: 55.2%

The Distributed and Hybrid solutions have the potential to include many of the benefits of the MBR / Percolation alternative with the isolation of the collection system to areas requiring urgency and varying levels of treatment. The main benefits of the MBR / Percolation option include a high level of regulatory support as well as additional potential for grant funding to assist with the higher cost. Additionally, the utilization of the MBR system allows for future reuse inclusion with minimum modifications.

It should be noted, any individual system can be designed and operated to perform to the highest standards. The rankings listed above are based on typical system designs within the various range of equipment alternatives analyzed, and the regulatory and social elements specific to the Los Olivos region and community.

Regen recommends that the community utilize this technical memorandum as a guide with regards to the benefits and drawbacks of the alternatives. The top-rated alternatives provide benefits that fit well with the needs of the Los Olivos community and are the recommended approach for this community. All the top-rated alternatives utilize a community collection system, can be built in phases, and utilize secondary treatment systems to percolation chambers or ponds. They all provide potential economic advantages over other alternatives and can be converted to reuse capable systems in the future. Further analysis should be completed on viable locations for treatment and dispersal, which will assist in the final selection of the top-rated alternatives.

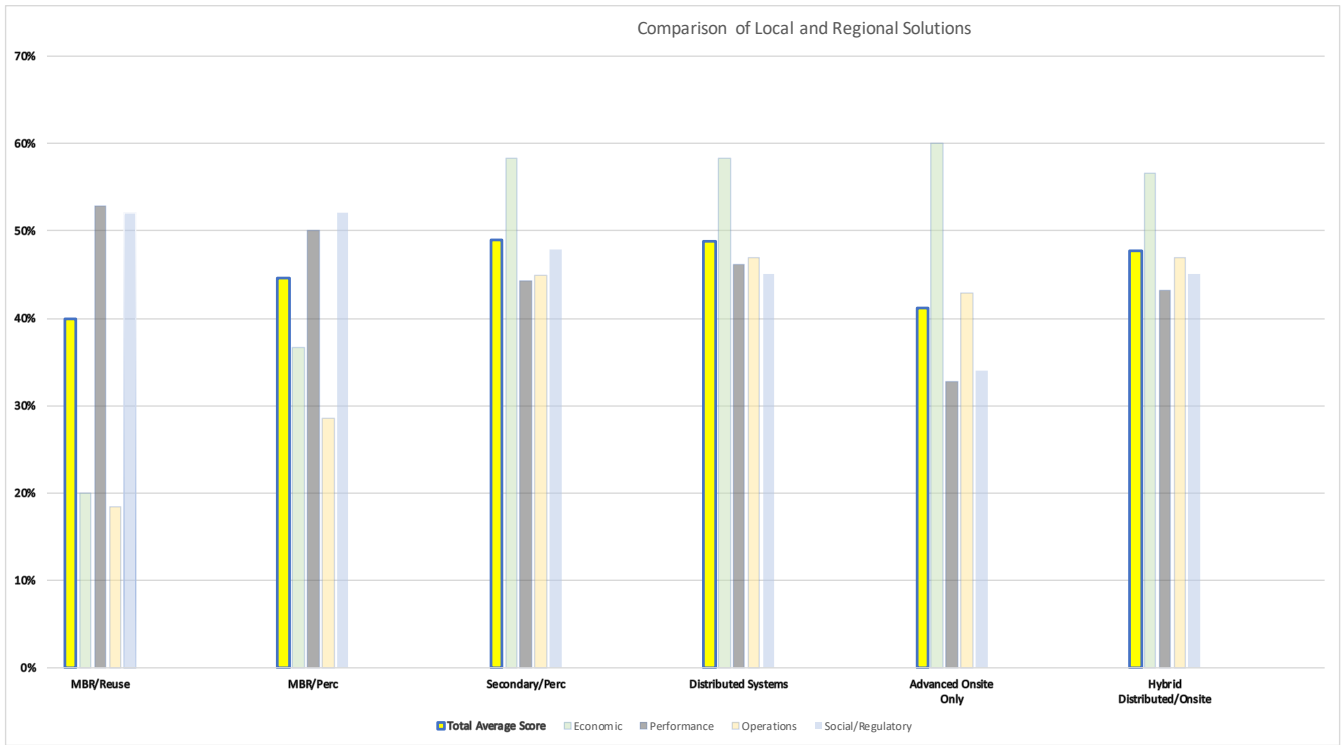


**Table 1: Los Olivos Wastewater Treatment & Dispersal Options Rubric “Partial”**

Category	Criteria	Weight	Systems Ranking						
			MBR/Reuse	MBR/Perc	Secondary/Perc	Distributed/Perc	Advanced Onsite	Hybrid	
<b>Economic</b>	Capital Costs	12%	1	2	3	3	4	3	
	Annual Maintenance Costs	6%	1	2	3	3	2	3	
	Energy Efficiency	2%	1	1	2	2	2	1	
	Repair Costs	2%	1	2	3	3	2	3	
	Replacement Costs	2%	1	1	2	2	2	2	
	<b>Economic Score</b>	<b>Maximum Score</b>	<b>24%</b>	<b>5%</b>	<b>9%</b>	<b>14%</b>	<b>14%</b>	<b>14%</b>	<b>13%</b>
<b>Performance</b>	Overall Effluent Quality	2%	5	5	4	4	2	4	
	Nitrogen Reduction Capabilities	8%	5	5	5	5	3	4	
	Reuse Quality	6%	5	4	2	2	1	2	
	Innovative	2%	4	4	3	3	3	4	
	Proven Technology	2%	4	4	5	4	3	4	
	Handles Fluctuating Flows	2%	2	2	2	3	4	3	
	Handles Fluctuating Strength	2%	3	3	2	3	2	3	
	Modular Design	2%	2	2	4	5	5	5	
	<b>Performance Score</b>	<b>Maximum Score</b>	<b>26%</b>	<b>22%</b>	<b>21%</b>	<b>18%</b>	<b>19%</b>	<b>14%</b>	<b>18%</b>
	<b>Operations</b>	Operation Simplicity	2%	1	2	3	3	2	3
Maintenance Requirements		2%	1	2	3	3	3	3	
Repair & Replacement Difficulty		2%	2	3	3	3	4	3	
Start-up Simplicity		2%	2	3	4	4	2	4	
Sludge Management		2%	1	2	3	4	5	4	
Equipment Clean/Replacement Freq.		2%	1	1	3	3	3	3	
Chemical Addition		2%	1	1	3	3	2	3	
<b>Operation Score</b>	<b>Maximum Score</b>	<b>14%</b>	<b>4%</b>	<b>6%</b>	<b>9%</b>	<b>9%</b>	<b>8%</b>	<b>9%</b>	
<b>Social/Regulatory</b>	Simplicity of Approval Process	4%	5	5	4	3	1	3	
	Grant Funding Potential	8%	5	5	4	3	1	3	
	Location	2%	5	5	4	3	2	3	
	Aesthetics	2%	4	4	4	4	3	4	
	Potential for Odors	4%	4	4	3	3	3	3	
	Potential Impact to Growth	6%	1	1	2	4	5	4	
	Construction Disruption to Community	6%	5	5	5	4	3	4	
	Ongoing Disruption to Community	4%	5	5	5	5	3	5	
<b>Social/Reg Score</b>	<b>Maximum Score</b>	<b>36%</b>	<b>30%</b>	<b>30%</b>	<b>28%</b>	<b>26%</b>	<b>19%</b>	<b>26%</b>	
<b>Total</b>		<b>100%</b>	<b>60.40%</b>	<b>65.20%</b>	<b>68.40%</b>	<b>68.00%</b>	<b>55.20%</b>	<b>66.40%</b>	

Note: Scoring was completed utilizing:  $((R_1 \times W_1) + (R_2 \times W_2)) + \text{etc.} / (H_i)$ ; R=Ranking, W=Weight,  $H_i$  = Highest Number in Ranking Criteria. An expanded version of the rubric can be found in the Appendix.

Additional in-depth evaluation can be completed to provide greater insight into the difference between alternatives, and fine tuning of the rankings may allow for more accurate scoring. Greater community engagement would also allow for additional fine tuning of the weight scale to verify the preferences of the Los Olivos community. A full analytical rubric could be completed with more time. This in-depth analysis would allow for greater assessment of specific system cost, performance, operational analysis, and social/regulatory elements. Additional work is currently underway including groundwater monitoring and an evaluation of funding alternatives. This work could provide important information that would allow for additional fine tuning and alteration to the comparison’s rubric.



# Appendix

Category	Criteria	Weight	Systems Ratings					Hybrid Distributed/Onsite		
			MBR/Reuse	MBR/Perc	Secondary/Perc	Distributed Systems	Advanced Onsite Only			
Economic	Capital Costs	12%	1	2	3	3	4	3	Costly	
	Annual Maintenance Costs	6%	1	2	3	3	2	3	2 Full Time Employees (low-certification)	
	Energy Efficiency	2%	1	1	2	2	2	2	Energy Intensive Overall	
	Repair Costs	2%	1	2	3	3	2	3	Expensive Over Time	
	Replacement Costs	2%	1	1	2	2	2	2	5-20 Year, Varies with Equipment Supplier	
	<b>Maximum Score</b>	<b>24%</b>	5%	9%	14%	14%	14%	13%		
	Performance	Overall Effluent Quality	2%	5	5	4	4	2	4	High Quality
		Nitrogen Reduction Capabilities	6%	5	5	5	5	3	4	Capable of meeting low standard
		Reuse Quality	6%	5	4	2	2	2	2	Requires Add On Components
		Innovative	2%	4	4	3	3	3	3	Can Be Innovative Technology
Proven Technology		2%	4	4	5	4	4	4	Good Track Record	
Handles Fluctuating Flows		2%	2	2	2	2	3	3	With Equalization	
Operations	Handles Fluctuating Strength	2%	3	3	2	2	3	3	Moderately Handles Some Fluctuation	
	Modular Design	2%	2	2	4	4	5	5	Very Modular	
	<b>Maximum Score</b>	<b>26%</b>	22%	21%	18%	19%	14%	18%		
	Operation Simplicity	2%	1	2	3	3	2	2	Complex (may vary depending on monitoring)	
	Maintenance Requirements	2%	2	2	3	3	3	3	Minimal, Depending on Technology	
	Repair & Replacement Difficulty	2%	2	3	3	3	4	4	Simple Low Cost	
Social/Regulatory	Start-up Simplicity	2%	2	3	4	4	2	2	Can be complex with various equipment	
	Sludge Management	2%	1	2	3	3	4	4	Moderate Sludge Volumes	
	Equipment Clean/Replacement Freq.	2%	1	1	3	3	3	3	Moderate	
	Chemical Addition	2%	1	1	3	3	2	2	Can be complex with various equipment	
	<b>Maximum Score</b>	<b>14%</b>	4%	6%	9%	9%	8%	9%		
	Simplicity of Approval Process	4%	5	5	4	3	1	3	Common Process w/ Different Approach	
Social/Regulatory	Grant Funding Potential	8%	5	5	4	4	1	3	Expected Slower Process / Unknown Assistance	
	Location	2%	5	5	4	3	2	3	Large Outlet Space Requirements	
	Aesthetics	2%	4	4	4	4	3	4	Various Equipment visible on each lot	
	Potential for Odors	4%	4	4	3	3	3	3	Many Systems, Higher Potential for Odors	
	Potential Impact to Growth	6%	1	1	2	2	5	4	Minimal Growth Impact	
	Construction Disruption to Community	6%	5	5	4	4	3	4	Construction at multiple locations	
Social/Regulatory	Ongoing Disruption to Community	4%	5	5	5	5	3	3	Pumping, repairs, maintenance	
	<b>Maximum Score</b>	<b>38%</b>	30%	28%	28%	19%	26%	26%		
	<b>Total</b>	<b>100%</b>	<b>60.40%</b>	<b>65.20%</b>	<b>68.40%</b>	<b>68.00%</b>	<b>55.20%</b>	<b>66.40%</b>		

# ITEM 8 – LAFCO EXTENSION REQUEST

LAFCO EXTENSION REQUEST

**Tom Fayram, President**  
**Brad Ross, Vice-President**  
**Julie Kennedy, Director**  
**Lisa Palmer, Director**  
**Greg Parks, Director**  
  
**Guy Savage, General Manager**



**PO Box 345**  
**Los Olivos, CA 93441**  
**www.losolivoscsl.com**

March 16, 2023

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

**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 June 3, 2021, 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 returning to your Commission at this time to request an additional extension.

The District continues to make steady progress towards a community wastewater collection and treatment solution. As shown in the attached March 2023 District Update (see Attachment 1), recent LOCS D efforts include:

- Obtaining the First New Los Olivos Groundwater Monitoring Well Data in 30+ Years
- Completing an Effluent Disposal Study
- Holding a Regional Water Quality Control Board and Santa Barbara County Environmental Health Services Community Workshop
- Hosting a Wastewater Solutions Community Workshop
- Engaging an Independent Engineering Firm to Make a Community Wastewater Solution Recommendation

The above efforts come after the LOCS D completed a draft assessment model (fair share assessment) for the district, completed a 30% design for a gravity-fed collection system to a membrane bioreactor treatment facility, and hosted a number of educational workshops for the community. In addition, the LOCS D is engaged in contract conversations with Padre and Associates to perform Environmental Impact Review for our future project.

As recent efforts show, the LOCS D is diligently working towards a community wastewater solution. Progress has been slower than we had hoped, but we are making steady progress. We are a small district, with only 391 parcels and annual revenues just over \$200,000 (roughly \$500

per parcel). Consequently, we are carefully managing our efforts to maximize the limited funding available. Moving forward, we anticipate needing more funding, particularly Federal, State, and local grants, to complete the necessary engineering, review, outreach, and research studies required to achieve a successful Proposition 218 assessment vote. To that end, the LOCSD recently formed a Grants/Financing subcommittee to research and find grant opportunities that will help us complete the needed studies. To date, the LOCSD has obtained two grants: County Environmental Health Special Funds - \$180,000 and State Water Board SRF Water Recycling Funding Program \$150,000.

As demonstrated above we continue to make substantial progress toward implementing a community wastewater solution. Yet we still have significant work to do in order to get to an informed and successful Prop. 218 benefit assessment vote. 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 Prop 218 proceedings for two years. During the extension, we will continue to submit biannual updates to your Board. We ask for this extension to maximize the probability of a successful Prop 218 proceeding for the District.

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 at (805) 448-7033 (or tom.fayram.locsd@gmail.com) or Guy Savage, General Manager, at (805) 500-4098 (or gm.locsd@gmail.com.)

Sincerely,

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Thomas Fayram  
President, Board of Directors LOCSD

cc: Joan Hartmann, 3rd District Supervisor  
Matt Keeling, Central Coast Regional Water Quality Control Board  
Lars Siefert, County EHS Director

**ITEM 9B – GENERAL MANAGER COMMENTS AND  
BUDGET REPORTS**

**GENERAL MANAGER COMMENTS AND BUDGET REPORTS**

**Los Olivos Community Services District - Septic to Sewer / Water Reclamation Roadmap - WORKING DRAFT**

Task	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
<b>Board and Public Education, Regulatory Meetings</b>								
District Quarterly Updates								
Solutions workshops		?						
LAFCO Update and Extension Request		6-Apr						

<b>Engineering / Design</b>	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
REGEN Recommendation								
Assessment Engineer Report including benefit factors	...							
Determine what prop owners will have to pay	...							
Finalize siting options	...							
Develop site acquisition plan, as necessary	...							
Final Project Description	...							
Select package plant manufacturer, if approp	...							
Environmental study, assessment and report (incl. public review)	...							

<b>Grants and Financing</b>	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
Develop financing plan								
Seek construction grants and financing								
EHS grant monitoring and submittals for reimbursement								
WRF 100% report								

<b>Monitoring Well(s)</b>	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
Find funding for remainder of well monitoring program (on hold)								
Drill remainder of monitoring wells (on hold)								

<b>Prop 218 - Property Owner vote on proposed project</b>	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
Polling for election feasibility								
Conduct workshops with public								
Adopt resolution of intent								
Mail and post public hearing notice								
Conduct public hearing & complete assessment vote process								



## Summary Project Status Report

<b>Audit (Moss, Levy &amp; Hartzheim)</b>	<b>Budget:</b> <span style="background-color: #4F81BD; color: white;">█</span>	<b>Schedule:</b> <span style="background-color: #4F81BD; color: white;">█</span>
First year audit is complete – no findings. Several financial system reports shared with ML&H. Expecting effort to wrap up effort in February, early March.		

<b>REGEN independent consultant recommendation</b>	<b>Budget:</b> <span style="background-color: #4F81BD; color: white;">█</span>	<b>Schedule:</b> <span style="background-color: #FFD700; color: white;">█</span>
Recommendation technical memo expected for March Regular meeting.		

### Other:

- Met with Bill Morton, Municipal Finance Corporation, to better understand financing options available.
- Attended EMA GSA meeting.
- Attended initial County of Santa Barbara ERP conversion meeting. The County is moving away from its FIN system to a cloud solution by Workday.
- Attempting to get our two wells added to the “regular” testing cycle by the County.

## Report : Financial Status (Real-Time)

Selection Criteria: Fund = 3490

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Last Updated: 2/5/2023 1:36 AM

As of: 1/31/2023

### Fund 3490 -- Los Olivos CSD

Line Item Account	6/30/2023 Fiscal Year Adjusted Budget	3/5/2023 Year-To-Date Actual	6/30/2023 Fiscal Year Variance	6/30/2023 Fiscal Year Pct of Budget
<b>Revenues</b>				
<b>Taxes</b>				
3066 -- Special Tax Assessment	136,475.00	138,629.85	2,154.85	101.58%
Taxes	136,475.00	138,629.85	2,154.85	0.00%
<b>Use of Money and Property</b>				
3380 -- Interest Income	724.00	709.03	-14.97	--
3381 -- Unrealized Gain/Loss Invstmnts	0.00	0.00	0.00	#DIV/0!
Use of Money and Property	0.00	709.03	-14.97	#DIV/0!
<b>Intergovernmental Revenue-Other</b>				
4840 -- Other Governmental Agencies	169,804.00	5,662.50	-164,141.50	3.33%
Intergovernmental Revenue-Other	274,000.00	5,662.50	-268,337.50	2.07%
<b>Revenues</b>	<b>306,279.00</b>	<b>145,001.38</b>	<b>-162,001.62</b>	<b>47.34%</b>
<b>Expenditures</b>				
<b>Services and Supplies</b>				
7090 -- Insurance	2,500.00	2,799.92	299.92	112.00%
7324 -- Audit and Accounting Fees	4,000.00	0.00	-4,000.00	0.00%
7430 -- Memberships	1,200.00	1,287.00	87.00	107.25%
7450 -- Office Expense	2,000.00	0.00	-2,000.00	0.00%
7460 -- Professional & Special Service (Project, Planning & Studies)	189,908.00	197,762.85	7,854.85	104.14%
7508 -- Legal Fees	30,000.00	28,692.41	-1,307.59	95.64%
7510 -- Contractual Services (IGM Contract, Engineer)	49,000.00	58,129.87	9,129.87	118.63%
7530 -- Publications & Legal Notices	1,000.00	0.00	-1,000.00	0.00%
7671 -- Special Projects	175,000.00	0.00	-175,000.00	0.00%
7732 -- Training	1,500.00	0.00	-1,500.00	0.00%
<b>Services and Supplies</b>	<b>456,108.00</b>	<b>288,672.05</b>	<b>167,435.95</b>	<b>63.29%</b>
<b>Expenditures</b>	<b>456,108.00</b>	<b>288,672.05</b>	<b>167,435.95</b>	<b>63.29%</b>

### Los Olivos CSD Cash Balance History

