

Tom Fayram, President
Brad Ross, Vice-President
Mike Arme, Director
Lisa Palmer, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT
REGULAR MEETING**

Posted: 8-5-2022

August 10, 2022, 6:00 PM

**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 via Zoom by using the following links:

On Zoom:

<https://us06web.zoom.us/j/89407884419?pwd=QmVVCVUMwK2xqSWpoY2pteTJDY0xqUT09>

By Phone:

+1 669 900 6833 US (San Jose) Meeting ID: 894 0788 4419 Passcode: 208251

One tap mobile: +16699006833,,89407884419#,,,,*208251# US (San Jose)

MEETING AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

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). 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. COMMENTS

The Directors, General Manager, and District Engineer 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.

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, comment on various District-related activities and/or provide status on projects. The GM may also review Budget Reports (see packet).

6. ADMINISTRATIVE AGENDA

All matters listed hereunder constitute a consent agenda and will be acted upon by a single roll call 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 July 13, 2022.

Workshop Minutes of July 13, 2022.

B. REVIEW AND APPROVE PAYMENT OF INVOICES RECEIVED BY JULY 31, 2022.

No.	Invoice Date	Invoice #	Provider	Amount
1.	July 9, 2022	80829	MNS Engineers, Inc. – District Services	\$1,698.75
2.	July 1, 2022	69029	Aleshire & Wynder – Legal Services June	\$1,420.00
3.	July 1, 2022	69030	Aleshire & Wynder – Reimbursable June	\$495.00
4.	July 7, 2022	00876.003-1	GSI – Data Review	\$2,156.25
5.	July 19, 2022	00876.001-16	GSI – Monitoring Well and PM	\$672.50
6.	June 10, 2022	1932022	Stantec – 30% Design / Loading Study	\$28,501.25
7.	July 30, 2022	220730	Savage – GM Services	\$4,725.00

7. BUSINESS ITEMS

A. APPOINTMENT OF BOARD MEMBER

Consideration of application(s) for appointment to Director of the Los Olivos Community Services District. The appointment would fill the remainder of time for the position vacated by Brian O’Neill effective July 2, 2022. Any appointed Director would be seated immediately. The appointed position is up for election in November 2022.

B. 30% DESIGN DOCUMENTS PRESENTATION

The Board will receive a presentation for the 30% design documents related to a gravity-fed collection system and membrane bioreactor (MBR) processing plant. The presentation will include commentary from the General Manager, District Engineer, and Stantec.

C. AUDIT CONTRACTS

Consideration of contract(s) with Moss, Levy & Hartzheim LLP, Certified Public Accountants, in an amount not to exceed \$7,775. The District has not had an audit of its financial books since its formation in 2018. The recommendation by the Finance Committee is to authorize, and direct the President and General Manager to sign, audit contracts for FY 2018-19, 2019-20, and 2020-21. The audit contracts were not budgeted for in FY 2022-23.

8. ADJOURNMENT

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**ITEM 5 – GENERAL MANAGER COMMENTS AND
BUDGET REPORTS**

GENERAL MANAGER COMMENTS AND BUDGET REPORTS

Summary Project Status Report

30% Design (Stantec)	Budget: 	Schedule:
Receive and file report, presentation on August 10		

Groundwater Monitoring Well (GSI)	Budget: 	Schedule: On Hold
Reevaluating given cost and difficulties of finding driller, no local driller available to do the work. Costs for drillers have increased significantly, possible will exceed existing budget.		

Effluent Study (GSI/Confluence ES)	Budget: 	Schedule:
County has provided sufficient perc data for study purposes. Broderson Site (Los Osos) visit completed.		

Assessment Engineer Report (NV5)	Budget: 	Schedule:
Met with Jeff Cooper to discuss approaches and better familiarize him with our community. Initial assessment modeling underway.		

Other:

Met with Supv. Hartmann’s office and RWQCB to discuss current status of our efforts and help they might be able to provide. Follow-up meeting set.

Met with Orenco regarding estimates for STEP collection system using PRELOS. Orenco clarified that “community tanks” could be placed underground for commercial operations.

FY 2022-23 Budget and other financial data sent to County for entry into FIN and other systems.

Tom Fayram, President
Brad Ross, Vice-President
Mike Arme, Director
Lisa Palmer, Director



PO Box 345
Los Olivos, CA 93441
www.losolivoscsd.com

Guy Savage, General Manager

LOS OLIVOS COMMUNITY SERVICES DISTRICT

August 2, 2022

Subject: FY 2022-23 Budget Reports

Finance Committee,

The two budget reports included in this month's Finance Committee packet reflect data as contained in the County of Santa Barbara's Financial System (FIN) as of today, August 2, 2022. The reports may seem off from the budget that was approved last month as they show expenses incurred in FY 2021-22, but paid in FY 2022-23. I am still in the process of "closing out the books" for FY 2021-22 and getting FIN updated with our new budget numbers and commentary. Where possible, commentary was added to a notes column on the right of the reports, most notably on the Report : Financial Status (Real-Time). You should expect similar numbers until FY 2021-22 is closed out and reconciled in FIN. I expect this process to be completed by the end of September, at the very latest.

I am happy to answer any questions regarding the reports upon request.

Sincerely,

A handwritten signature in blue ink that reads "Guy W. Savage".

Guy W. Savage
General Manager

Report : Financial Status (Real-Time)

Selection Criteria: Fund = 3490

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

Last Updated: 08/02/2022

Accounting Period: OPEN

Fund 3490 -- Los Olivos CSD

Line Item Account	6/30/2023 Fiscal Year Adjusted Budget	08/02/2022 Year-To-Date Actual	6/30/2023 Fiscal Year Variance	6/30/2023 Fiscal Year Pct of Budget
Revenues				
Taxes				
3066 -- Special Tax Assessment	136,475.00	0.00	-136,475.00	0.00%
Taxes	136,475.00	0.00	-136,475.00	0.00%
Use of Money and Property				
3380 -- Interest Income	724.00	0.00	-724.00	--
3381 -- Unrealized Gain/Loss Invstmnts	0.00	0.00	0.00	#DIV/0!
Use of Money and Property	0.00	0.00	-724.00	#DIV/0!
Intergovernmental Revenue-Other				
4840 -- Other Governmental Agencies	169,804.00	1,835.75	-167,968.25	1.08%
Intergovernmental Revenue-Other	274,000.00	1,835.75	-272,164.25	0.67%
Revenues	306,279.00	1,835.75	-305,167.25	0.60%

Expenditures

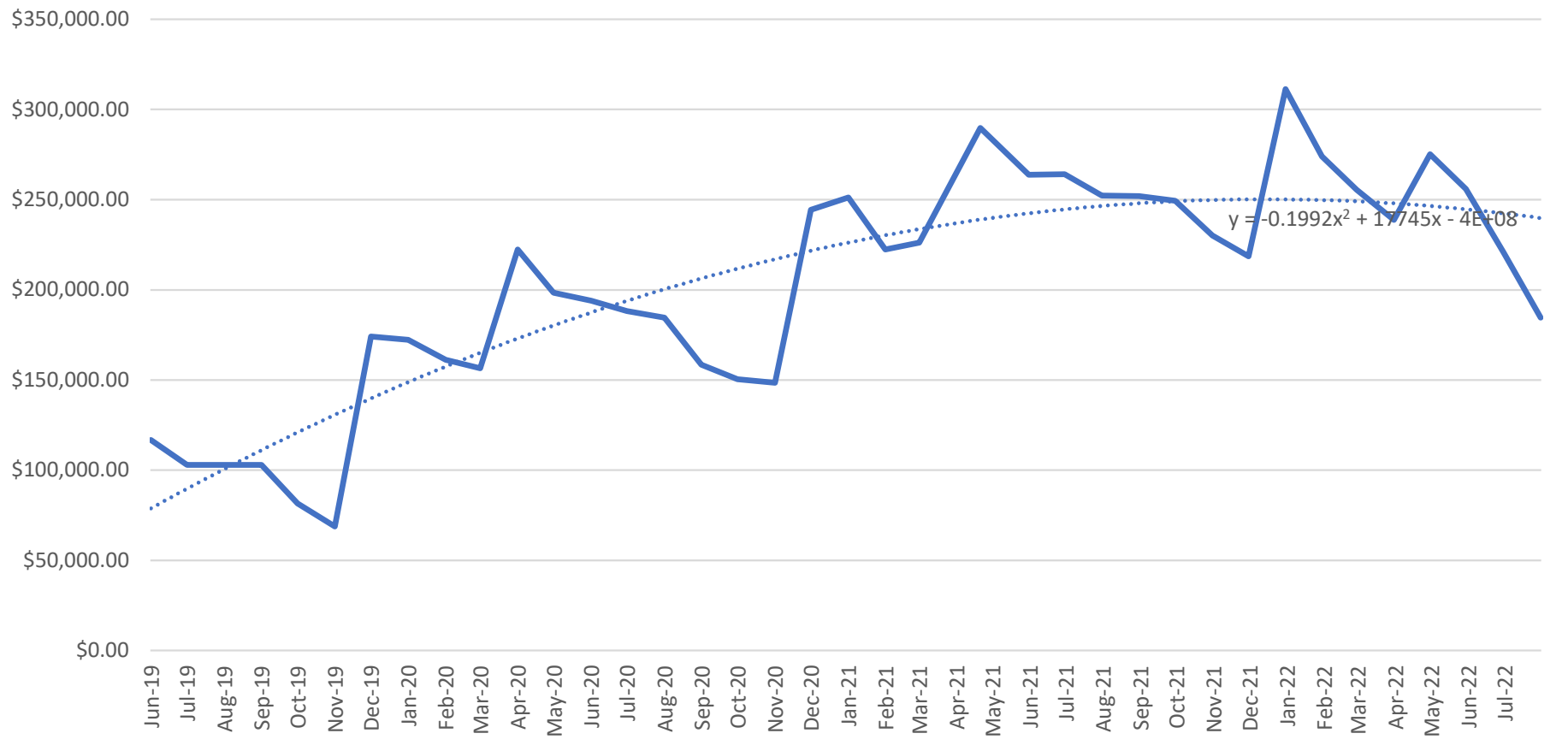
Services and Supplies

7090 -- Insurance	2,500.00	2,799.92	299.92	112.00%	SDRMA Membership-Liability Coverage
7324 -- Audit and Accounting Fees	4,000.00	0.00	-4,000.00	0.00%	FIN Expenses,Audit Expenses
7430 -- Memberships	1,200.00	0.00	-1,200.00	0.00%	CSDA
7450 -- Office Expense	2,000.00	0.00	-2,000.00	0.00%	Postage, Printing,supplies
7460 -- Professional & Special Service (Project, Planning & Studies)	189,908.00	25,851.25	-164,056.75	13.61%	Includes FY 2021-22 Services (Stantec \$25,851.25)
7508 -- Legal Fees	30,000.00	3,365.28	-26,634.72	11.22%	Includes FY 2021-22 Services (A&W \$3365.28)
7510 -- Contractual Services (IGM Contract, Engineer)	49,000.00	6,635.05	-42,364.95	13.54%	Includes FY 2021-22 Services (MNSS2077.50+GWS \$4557.55)
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%	Special Assessment Vote
7732 -- Training	1,500.00	0.00	-1,500.00	0.00%	
Services and Supplies	456,108.00	38,651.50	-417,456.50	8.47%	
Expenditures	456,108.00	38,651.50	-417,456.50	8.47%	

Cash Balance

Fund	Beginning Balance	Month-to-date cash receipts	Month-To-Date Treasury Credits (+)	Month-To-Date Treasury Debits (-)	Ending Balance
7/1/2022 - 7/31/2022 (FY 2022-23)	\$220,879.68	0.00	2,235.85	38,651.50	\$184,464.03

Los Olivos CSD Cash Balance History



ITEM 6A - MINUTES TO APPROVE

MINUTES TO APPROVE

Tom Fayram, President
Brad Ross, Vice-President
Mike Arme, Director
Lisa Palmer, Director



LOS OLIVOS COMMUNITY SERVICES DISTRICT

Posted: 7-8-2022

REGULAR MEETING

July 13, 2022, 6:00 PM

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

2901 Nojoqui Ave, Los Olivos CA 93441

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One tap mobile: +16699006833,,89407884419#,,,,*208251# US (San Jose)

MEETING AGENDA

1. CALL TO ORDER

The meeting was called to order at 6:00 PM

2. ROLL CALL

President Fayram requests a Roll Call be taken.

PRESENT: President Fayram, and Vice-President Ross, Directors Arme and Palmer

ABSENT: None (due to vacancy)

3. PLEDGE OF ALLEGIANCE

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). 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.

Kelly Gray, Tom Nelson, Paul Rohrer, and Dennis Schoen speak.

5. DIRECTOR 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.

Vice-President Ross explains the reasoning for expanding the design to include the entire district. He notes (a) there is potential for funding specific to septic-to-sewer conversions for the entire community, (b) the desire to understand how the system of the entire district will look so we can build the smaller system to be compatible if we go with the smaller system. He adds a general belief that, eventually, the entire district will be on the same system.

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losolivoscsd@gmail.com, www.losolivoscsd.com

Director Palmer describes the history of the February 2021 matching grant.

President Fayram speaks to District boundaries, how they were determined, and the LAFCO formation process. He emphasizes that Los Olivos residents and property owners need to get informed and work to understand the process to resolve groundwater issues in Los Olivos. He closes by telling the audience that there are seats open on the Board, and that people should run for a seat if they want to ensure the direction is what they want.

6. GENERAL MANAGER AND DISTRICT ENGINEER COMMENTS

The GM and DE will give reports on any meetings that they attended on behalf of the District, comment on various District-related activities and/or provide status on projects. The GM may also review Budget Reports (see packet).

GM Savage provides a brief overview of projects underway.

GM Savage continues with an overview of upcoming elections. He notes that four (4) seats on the Board will be open. Three (3) seats will serve a 4-year term, while one (1) seat will fill a 2-year term. He tells interested parties to visit the County’s election website at: <https://www.countyofsb.org/793/Candidate-Filing>.

GM Savage finishes with an overview of an Options table he has been working on at the request of Vice-President Ross. He describes two options for collection (traditional gravity fed and STEP), and the current approach for wastewater treatment (membrane bioreactor [MBR]). He also describes how advanced on-site solutions may fit in the final solution.

DE Pike provides a brief overview of the 30% Design documents delivered by Stantec. He states that the documents are consistent with what is expected at this point in the process and says they should meet the needs of the Assessment Engineer (NV5).

7. ADMINISTRATIVE AGENDA

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A. APPROVAL OF MEETING MINUTES

Regular Meeting Minutes of June 8, 2022.

Workshop Minutes of June 8, 2022.

Motion to approve 7.A.

Motion By: Director Palmer **Second:** Vice-President Ross

AYES: Vice-President Ross, Director Palmer, Director Arme, President Fayram

NOES: None

ABSTAIN: None

B. REVIEW AND APPROVE PAYMENT OF INVOICES RECEIVED BY JUNE 30, 2022.

No.	Invoice Date	Invoice #	Provider	Amount
1	June 6, 2022	00876.001-15	GSI Water Solutions, Inc. – Groundwater Quality Management Services	\$3,823.75
2	June 8, 2022	80580	MNS Engineers, Inc. – District Services	\$2,077.50
3	June 9, 2022	68301	Aleshire & Wynder – Legal Services	\$3365.28
4	June 10, 2022	72393	SDRMA – Property/Liability Insurance	\$2,799.92
5	June 10, 2022	1932022	Stantec – Loading Study and Design Services	\$25,851.25
6	June 30, 2022	220630	Savage – GM Services	\$4,557.55

Motion to approve 7.B.

Motion By: Vice-President Ross **Second:** Director Arme

AYES: Vice-President Ross, Director Arme, Director Palmer, President Fayram

NOES: None

ABSTAIN: None

8. PUBLIC HEARING: CONSIDERATION OF PROPOSED FISCAL YEAR 2022-23 BUDGET

In keeping with Board Direction, the General Manager has developed a proposed budget for Board’s consideration. The Board will:

- Receive the report of the General Manager
- Open Public Hearing to receive Public Comment
- Close the Public Hearing

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

losolivoscscsd@gmail.com, www.losolivoscscsd.com

- Deliberate on the General Manager's Budget Recommendation
- Adopt a Budget for Fiscal Year 2022-23

President Fayram opens the floor to public comment.

Kathryn Lohmeyer Rohrer speaks.

Motion to adopt the budget as presented with detailed annotation for line items 7460 -- Professional & Special Service (Project, Planning & Studies) and 7671 -- Special Projects

Motion By: Vice-President Ross **Second:** Director Arme

AYES: Vice-President Ross, Director Arme, Director Palmer, President Fayram

NOES: None

ABSTAIN: None

Motion passed on roll-call vote

9. BUSINESS ITEMS

A. FY 2021-22 Budget Continuance

Consideration of Resolution 2022-01 that authorizes the continuance of operations into Fiscal Year 2022-23 at Fiscal Year 2021-22 appropriation levels.

GM Savage introduces the item. He notes that this, and the following resolutions, are typical for local governmental agencies.

Motion to approve 9.A.

Motion By: Director Palmer **Second:** Vice-President Ross

AYES: Director Palmer, Vice-President Ross, Director Arme, President Fayram

NOES: None

ABSTAIN: None

B. Secured Property Tax Assessment Authorization

Consideration of Resolution 2022-02 that authorizes a tax levy with CPI increase and provides for collection via direct charge by the Santa Barbara County Auditor-Controller via placement on the secured tax bill of all parcels in the District, excluding exempt or partially exempt parcels pursuant to past action by the Board of Directors. Resolution 2022-02 is an update to prior resolutions and District formation documents and will increase tax levies by eight percent (8%) based on year-over-year CPI increase calculations.

GM Savage introduces the item.

Motion to approve 9.B.

Motion By: Director Palmer **Second:** Director Arme

AYES: Director Palmer, Director Arme, Vice-President Ross, President Fayram

NOES: None

ABSTAIN: None

C. Appropriations Limit (Gann Limit)

Consideration of Resolution 2022-03 that states the appropriations limit, also known as the Gann limit, for the Fiscal Year ending June 30, 2023.

GM Savage introduces the item.

Motion to approve 9.C.

Motion By: Vice-President Ross **Second:** Director Palmer

AYES: Vice-President Ross, Director Palmer, Director Arme, President Fayram

NOES: None

ABSTAIN: None

D. Director Vacancy

The District received notice of the resignation of Brian O'Neil from the office of Director, effective July 2, 2022. Pursuant to Elections Code section 1780(c), the Board will deliberate and vote on whether to fill the vacant office by appointment or by election.

Counsel Trindle describes the processes which may be considered by the Board in filling a vacancy.

Floor is opened for public comment.

Anna Marie Gott, Kathryn Lohmeyer Rohrer, Michelle DeWerd speak.

The Board debates the merits of appointing a new Director versus waiting for the November election.

Motion to direct the general manager to conduct the necessary process to fill, by appointment, the current vacancy.

Motion By: Vice-President Ross **Second:** Director Palmer

AYES: Vice-President Ross, Director Palmer, Director Arme, President Fayram

NOES: None

ABSTAIN: None

10. ADJOURNMENT

It is the intention of the Board to adjourn the Regular meeting and convene a Workshop related to wastewater treatment.

Motion to adjourn meeting

Motion By: Director Palmer **Second:** Vice-President Ross

AYES: Director Palmer, Vice-President Ross, Director Arme, President Fayram

NOES: None

ABSTAIN: None

Respectfully submitted:



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

Approved:

Tom Fayram,
President

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I respectfully request that the following letter to the LOCSD Board of Directors be published with the Agenda and subsequent Minutes of the July 10, 2022 BOD Meeting

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

July 13, 2022

Subject: Waste Water Treatment Plan

Honorable President Tom Fayrum and Los Olivos Community Service District Board of Directors: There was considerable conflict and drama during the original discussions surrounding the need for a wastewater treatment plan for the Los Olivos community and whether the desired path was through the existing infrastructure of other Districts or through the formation of the Los Olivos Community Service District. I was not in favor of forming the LOCSD for a variety of reasons. However, the majority of the community decided that was what they wanted and as in a democracy, they prevailed and the LOCSD was formed and directors elected and the job began. What became important, out of it all, was that the Los Olivos Community wanted "Local Control" and did not want to create and encourage expansion and uncontrolled growth, if any at all. My letter to the LOCSD Directors tonight goes directly to that point. I reviewed every agenda and reported minutes, including associated documents, of the LOCSD prior to preparing my statement. There is a point where it appears that things have changed by actions of the LOCSD Board without the inclusion of the community and against the desires of the community. When the LOCSD was established and at the August 14, 2019 meeting, Resolution 19-04 was unanimously passed by the LOCSD Board with the unanimous support of the Los Olivos Community. It resolved to establish the "project description" as a "Local Phased Approach" in a "Package Plant Method." Meaning, that the entire project would be designed and planned for individual "Package Plants" for each of the phases of the project and not one centralized wastewater treatment facility. This plan was adopted to limit the costs and the uncontrolled growth that a centralized treatment plant would encourage, and it was the plan that the community supported. During the ensuing months, and years, a contract was entered into between the LOCSD and the Stantec company to propose and design the desired "Phased Package Plant Project." In September 2021, the plan appears to have changed from a multiple small package plan model to a single plant model without any public notice or input. Further, the "Update of the project description" was introduced and ultimately approved by the LOCSD board without publication of the intended "Update" or public discussion of the "Update." This "Update" in reality obliterated Resolution 19-04 improperly. A motion is a formal proposal by a member to do something. Motions are the basis of the group decision making process. They focus the group on what is being decided. Instead of being given verbally, a motion may be made in writing, and is called a Resolution, and it is a formalized, documented motion resolved to preclude confusion as to the intentions and wording of the motion. Robert's Rules of Order Newly Revised (RONR) states that to rescind, repeal, annul or amend something previously adopted, (a Resolution) must be brought before the assembly. There must be an amendment to the Resolution All of this means that the original Resolution must be brought forward, a motion to amend must be made, a second entered and subsequent discussion. All of

this is to be done in the open public meetings under the Brown Act, not in a closed session. As it stands now, Resolution 19-04 is intact and unamended as a Resolution because the “update of the project description” did not address the original Resolution as required. Now, we do not desire to create a further divide or conflict with the LOCSD Board and the community it serves. Rather, we would like to present the opportunity for the LOCSD Board to publicly step back and bring this project description and plan back to the community in an open and transparent manner. There may be a very valid and desirable reason to reassess the plan and make a change. However, do it with us involved and not in a manner that presents the appearance of corruption. This does not look good. You were elected by this community and we want to be part of the solution and not a problem. However, you must trust us as much as we want to trust you. Convince us otherwise. We want to believe and support you, our LOCSD Board of Directors.

Sincere Regards,

Thomas A. Nelson
2729 San Marcos Ave.
P.O. Box 734
Los Olivos, CA 93441

Tom Fayram, President
Brad Ross, Vice-President
Mike Arme, Director
Lisa Palmer, Director



**LOS OLIVOS COMMUNITY SERVICES DISTRICT
WASTEWATER TREATMENT WORKSHOP**

Posted: 7-8-2022

July 13, 2022, 6:30 PM

(or immediately after the July 13, 2022 Regular Meeting)

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

2901 Nojoqui Ave, Los Olivos CA 93441

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By Phone:

+1 669 900 6833 US (San Jose) Meeting ID: 894 0788 4419 Passcode: 208251

One tap mobile: +16699006833,,89407884419#,,,,*208251# US (San Jose)

WORKSHOP AGENDA

1. CALL TO ORDER

The workshop was called to order at 7:17 PM.

2. 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). 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.

Public comment is not taken separately as the public had the opportunity to comment and ask questions as part of the workshop.

3. WORKSHOP

A presentation (see attached) will be made Chris Nally or Jake Lincoln, Cloacina. A question-and-answer period will follow. Direction from the Board may be provided; but, no action will be taken.

Please note that Cloacina will be holding Virtual Workshops and Tours on August 15, 16, and 17, and an in-person Open House and Factory Tour on August 19. The events are open to the general public and not specific to the LOCSO. For more information, visit: <https://www.cloacina.com/2022-open-house>.

Jake Lincoln, Cloacina provides an overview presentation of Cloacina products. Mr. Lincoln provides answers to a large number of questions put forth by attendees at the meeting (and read by GM Savage).

The floor is opened for comment and questions.

Paul Rohrer, Mark Herthel, Kathryn Lohmeyer Rohrer, and Anna Marie Gott speak.

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losolivoscscsd@gmail.com, www.losolivoscscsd.com

4. ADJOURNMENT

Motion to adjourn workshop

Motion By: Vice-President Ross **Second:** Director Palmer

AYES: Vice-President Ross, Director Palmer, Director Arme, President Fayram

NOES: None

ABSTAIN: None

Workshop adjourned at 8:03 PM

Respectfully submitted:



Guy W. Savage

General Manager – Los Olivos Community Services District

Approved:

Tom Fayram,
President

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ITEM 6B - INVOICE PAYMENT

INVOICE PAYMENT



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

ENGINEERING
PLANNING
SURVEYING
CONSTRUCTION MANAGEMENT

July 9, 2022
Project No: LOCS.D.180392.00
Invoice No: 80829

Los Olivos Community Services District
P.O. Box 553
Los Olivos, CA 93441

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

This Invoice includes:

1. IGM and general District Support Tasks: \$1,143.75
2. Engineering Tasks:
 - a. Effluent Disposal Study: \$277.50
 - b. Stantec Contract Support: \$185
 - c. Assessment Engineer: \$0.00
 - d. General Engineering Tasks: \$0
 - e. Grant Support: \$92.50

Professional Services for the Period: June 1, 2022 to June 30, 2022

Level 2 TASK01 District Management

Professional Personnel

	Hours	Rate	Amount	
Administrative Support				
Project Coordinator	8.25	105.00	866.25	
Project Management				
District Engineer	1.50	185.00	277.50	
Totals	9.75		1,143.75	
Total Labor				1,143.75
				Level 2 Subtotal
				\$1,143.75

Level 2 TASK02 Engineering Tasks

Professional Personnel

	Hours	Rate	Amount	
Project Management				
District Engineer	3.00	185.00	555.00	
Totals	3.00		555.00	
Total Labor				555.00
		Level 2 Subtotal		\$555.00
		Current Invoice Amount		\$1,698.75

Outstanding Invoices

Number	Date	Balance
80407	5/9/2022	3,204.50
80580	6/8/2022	2,077.50
Total		5,282.00

Billing Backup

Saturday, July 9, 2022

MNS Engineers, Inc.

Invoice 80829 Dated 7/9/2022

3:48:42 PM

Project	LOCSD.180392.00	District Support Services		
Level 2	TASK01	District Management		

Professional Personnel

		Hours	Rate	Amount
Administrative Support				
Project Coordinator				
Zepeda, Mary	6/8/2022	1.25	105.00	131.25
FIN New Vendor Request Form Follow-up with SBC and GS; Review Update Budget Tracking Log for EHS PO Entries to-date and update with GSI Invoice 0876.001-14; Provide Follow-up to DP and GS				
Zepeda, Mary	6/9/2022	2.50	105.00	262.50
Process MNS and Aleshire & Wynder Invoices and update Budget Tracking Log; Provide Email Response to SBC EHS re pending invoices to be submitted by end of June and provide summary of invoices submitted to-date; Prepare GSI Invoice for submission to EHS and forward to GS for review and approval; Update Regular Meeting Folder for 6/8/22 documentation				
Zepeda, Mary	6/10/2022	1.00	105.00	105.00
Follow-up with SBC Auditor Help Desk re New Vendor Form for GS; Electronic Filing of New Invoices, Updated Budget Tracking; Created New Invoice Filing (Agenda/EHS/FIN Payment); File Streamline Payment Receipt; Forward Invoice #21 to EHS for reimbursement; Update EHS Payment/Reimbursement Summary				
Zepeda, Mary	6/13/2022	1.50	105.00	157.50
Create Single Payment Claims for GSI, Stantec and Aleshire & Wynder Invoices; Coordinate the submittal of VC to New Vendor Form for GS; Electronic Filing of New Invoices, Update Budget Tracking Log				
Zepeda, Mary	6/16/2022	.50	105.00	52.50
Update Budget Tracking Log; Check New Vendor Status for GS				
Zepeda, Mary	6/20/2022	.50	105.00	52.50
Check New Vendor Status for GS; Met with DP re Grant Expenditure Tracking				
Zepeda, Mary	6/21/2022	1.00	105.00	105.00
Prepare GWS Invoices for payment via FIN and obtain DP final approval; Create Single Payment Claims for GWS Invoices; Update Budget Tracking Log				
Project Management				
District Engineer				
Pike, Douglas	6/20/2022	1.50	185.00	277.50
Update consultant summary spreadsheet (1), Provide Noticing language and EHS Summary (.5),				
Totals		9.75		1,143.75
Total Labor				1,143.75
Level 2 Subtotal				\$1,143.75

Level 2	TASK02	Engineering Tasks		
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Professional Personnel

		Hours	Rate	Amount	
Project Management					
District Engineer					
Pike, Douglas	6/8/2022	1.00	185.00	185.00	
	Studies and Well Data to Tim Thompson (GSI) (1)				
Pike, Douglas	6/27/2022	.50	185.00	92.50	
	Data to Tim Thompson of GSI regarding Disposal study (.5)				
Pike, Douglas	6/29/2022	1.00	185.00	185.00	
	Budget Estimates to Stantec for 30% design estimate				
Pike, Douglas	6/30/2022	.50	185.00	92.50	
	Attaend Grants Meeting				
	Totals	3.00		555.00	
	Total Labor				555.00
			Level 2 Subtotal		\$555.00
			Project Total		\$1,698.75
			Total this Report		\$1,698.75



**ALESHIRE &
WYNDER** LLP
ATTORNEYS AT LAW

Peggy K. Middleton
pmiddleton@awattorneys.com
(949) 255-2495

18881 Von Karman Avenue,
Suite 1700
Irvine, CA 92612
P (949) 223.1170
F (949) 223.1180

July 1, 2022

VIA EMAIL ONLY: Guy Savage – GM.LOCSD@gmail.com

General Manager
Los Olivos Community Services District
P.O. Box 345
Los Olivos, CA 93441

Re: **July 2022 Billing Statement (for services through 06/30/22);
Aleshire & Wynder, LLP**

Dear General Manager:

Enclosed please find a billing statement for the month of July, which includes services rendered and costs incurred by Aleshire & Wynder, LLP, through June 30, 2022.

Should you have any questions or require additional information concerning the foregoing, please let me know.

Sincerely,

ALESHIRE & WYNDER, LLP

Peggy Middleton *for*
G. Ross Trindle, III

Enclosure

cc: Mary Zepeda – mzepeda@mnsengineers.com

LOS OLIVOS COMMUNITY SERVICES DISTRICT (01245)
MONTHLY BILLING SUMMARY

Billing Period: June 1 thru June 30, 2022

	Total Hours	Hourly Rate	Total Fees	Total Costs	Total Fees & Costs	Writeoff Value	Comments
0001 General (\$200 Blended: Atty / Paralegal / Law Clerk)	7.10	200	1,420.00	0.00	1,420.00	0.00	(Advisory/Transactional Svcs)
0011 Reimbursable (\$275 Partner & Of Counsel / \$225 Associate)	2.20	225	495.00	0.00	495.00	0.00	(Reimbursable Svcs)
TOTALS:	9.30		\$1,915.00	\$ 0.00	\$1,915.00	\$ 0.00	

Please return this page with remittance

to
Aleshire & Wynder, LLP

Bill Number: 69029
Bill Date: July 8, 2022
Client Code: 01245
Client Name: Los Olivos Community Services District
Matter Code: 0001
Matter Name: General

Total Professional Services 1,420.00

Total Disbursements 0.00

CURRENT BILL TOTAL AMOUNT DUE \$1,420.00

Balance Forward: 7,325.28

Payments & Adjustments: -3,960.00

Total Due: \$4,785.28

Amount enclosed: _____

Thank You



**ALESHIRE &
WYNDER** LLP
ATTORNEYS AT LAW

Peggy K. Middleton
pmiddleton@awattorneys.com
(949) 255-2495

18881 Von Karman Avenue,
Suite 1700
Irvine, CA 92612
P (949) 223.1170
F (949) 223.1180

July 1, 2022

VIA EMAIL ONLY: Guy Savage – GM.LOCSD@gmail.com

General Manager
Los Olivos Community Services District
P.O. Box 345
Los Olivos, CA 93441

Re: **July 2022 Billing Statement (for services through 06/30/22);
Aleshire & Wynder, LLP**

Dear General Manager:

Enclosed please find a billing statement for the month of July, which includes services rendered and costs incurred by Aleshire & Wynder, LLP, through June 30, 2022.

Should you have any questions or require additional information concerning the foregoing, please let me know.

Sincerely,

ALESHIRE & WYNDER, LLP

Peggy Middleton *for*
G. Ross Trindle, III

Enclosure

cc: Mary Zepeda – mzepeda@mnsengineers.com

LOS OLIVOS COMMUNITY SERVICES DISTRICT (01245)
MONTHLY BILLING SUMMARY

Billing Period: June 1 thru June 30, 2022

	Total Hours	Hourly Rate	Total Fees	Total Costs	Total Fees & Costs	Writeoff Value	Comments
0001 General (\$200 Blended: Atty / Paralegal / Law Clerk)	7.10	200	1,420.00	0.00	1,420.00	0.00	(Advisory/Transactional Svcs)
0011 Reimbursable (\$275 Partner & Of Counsel / \$225 Associate)	2.20	225	495.00	0.00	495.00	0.00	(Reimbursable Svcs)
TOTALS:	9.30		\$1,915.00	\$ 0.00	\$1,915.00	\$ 0.00	

Please return this page with remittance

to
Aleshire & Wynder, LLP

Bill Number: 69030
Bill Date: July 8, 2022
Client Code: 01245
Client Name: Los Olivos Community Services District
Matter Code: 0011
Matter Name: Reimbursable

Total Professional Services	495.00
Total Disbursements	0.00
CURRENT BILL TOTAL AMOUNT DUE	<u>495.00</u>
Balance Forward:	212.00
Payments & Adjustments:	-212.00
Total Due:	<u>495.00</u>

Amount enclosed: _____

Thank You



55 SW Yamhill Street, Suite 300
 Portland, OR 97204
 P: 503.239.8799
 accounting@gsiws.com
 www.gsiws.com

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

July 7, 2022
 Invoice No: 00876.003 - 1

Project 00876.003 Effluent Disposal Study – Los Olivos Wastewater Reclamation

Professional Services from June 1, 2022 to June 30, 2022

Task .001 Initial Data Review and Meeting

Labor

	Hours	Rate	Amount	
Principal Consultant				
Thompson, Timothy	5.50	270.00	1,485.00	
Consulting Geologist				
Lapostol, Andres	4.25	145.00	616.25	
Administration				
McCall, Metria	.50	110.00	55.00	
Totals	10.25		2,156.25	
Total Labor				2,156.25
				Total this Task
				\$2,156.25

Project Summary

	Current Period	Prior Periods	Invoiced to Date
Total Billings	2,156.25	0.00	2,156.25
Authorized Budget			19,500.00
Budget Remaining			17,343.75
			Total this Invoice
			<u><u>\$2,156.25</u></u>



55 SW Yamhill Street, Suite 300
 Portland, OR 97204
 P: 503.239.8799
 accounting@gsiws.com
 www.gsiws.com

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

July 7, 2022
 Invoice No: 00876.001 - 16

Project 00876.001 Groundwater Quality Management Services

Activities during this billing period include:

- Coordinate with LOCSO staff re monitoring well design and disposal of drill cuttings and produced water during installation and testing. Gather updated drilling quotes from contractor.
- Project Management

Professional Services from June 1, 2022 to June 30, 2022

Task	.003	Install Monitoring Well	-----		
Labor					
			Hours	Rate	Amount
Principal Consultant					
Thompson, Timothy			1.00	265.00	265.00
Managing Hydrogeologist					
Franz, Brian			1.00	160.00	160.00
Consulting Geologist					
Lapostol, Andres			1.50	135.00	202.50
Totals			3.50		627.50
		Total Labor			627.50
				Total this Task	\$627.50

Task	.005	Project Management	-----		
Labor					
			Hours	Rate	Amount
Administration					
Steensma, Nancy			.50	90.00	45.00
Totals			.50		45.00
		Total Labor			45.00
				Total this Task	\$45.00

Project Summary	Current Period	Prior Periods	Invoiced to Date
Total Billings	672.50	65,612.50	66,285.00
Authorized Budget			85,000.00
Budget Remaining			18,715.00
		Total this Invoice	<u><u>\$672.50</u></u>

Outstanding Invoices

Number	Date	Balance
14	5/13/2022	1,838.75
15	6/8/2022	3,823.75
Total		5,662.50



INVOICE

Invoice Number 1955410
Invoice Date July 19, 2022
Customer Number 163739
Project Number 184031368

Bill To

Los Olivos Community Service District
Guy Savage
PO Box 345
Los Olivos CA 93441
United States

Please Remit To

Stantec Consulting Services Inc. (SCSI)
13980 Collections Center Drive
Chicago IL 60693
United States
Federal Tax ID
11-2167170

Project Description: Los Olivos Community Service District Project Design Services – Task Order No. 1 rev 01 (Loading Study)

Stantec Project Manager: Glaeser, Autumn Lee
Authorization Amount: \$296,750.00
Authorization Previously Billed: \$146,391.15
Authorization Billed to Date: \$174,892.40
Current Invoice Due: \$28,501.25
For Period Ending: June 17, 2022

email invoice to: Guy Savage (GM.LOCSD@gmail.com)

Invoice Number

1955410

Project Number

184031368

Top Task 202

Basis of Design

Low Task 202.002

30 Percent Design

Professional Services

Category/Employee

	Date	Hours	Rate	Current Amount
Giarta, Rusdi	2022-05-23	3.00	190.00	570.00
Giarta, Rusdi	2022-05-25	2.00	190.00	380.00
Giarta, Rusdi	2022-05-26	5.00	190.00	950.00
		10.00		1,900.00
Ho, Vien T	2022-06-08	3.00	171.00	513.00
		3.00		513.00
Poytress, Carrie Elizabeth	2022-05-23	1.25	237.00	296.25
Poytress, Carrie Elizabeth	2022-05-24	4.00	237.00	948.00
Poytress, Carrie Elizabeth	2022-05-26	1.00	237.00	237.00
Poytress, Carrie Elizabeth	2022-05-27	0.25	237.00	59.25
Poytress, Carrie Elizabeth	2022-05-31	1.50	237.00	355.50
Poytress, Carrie Elizabeth	2022-06-01	1.00	237.00	237.00
Poytress, Carrie Elizabeth	2022-06-02	1.50	237.00	355.50
Poytress, Carrie Elizabeth	2022-06-03	3.75	237.00	888.75
Poytress, Carrie Elizabeth	2022-06-06	7.00	237.00	1,659.00
Poytress, Carrie Elizabeth	2022-06-07	6.00	237.00	1,422.00
Poytress, Carrie Elizabeth	2022-06-08	3.00	237.00	711.00
Poytress, Carrie Elizabeth	2022-06-09	2.00	237.00	474.00
Poytress, Carrie Elizabeth	2022-06-10	0.75	237.00	177.75
Poytress, Carrie Elizabeth	2022-06-13	3.75	237.00	888.75
Poytress, Carrie Elizabeth	2022-06-15	1.50	237.00	355.50
Poytress, Carrie Elizabeth	2022-06-16	2.75	237.00	651.75
		41.00		9,717.00
Sanchez Gomez, Reyna	2022-06-02	3.75	160.00	600.00
Sanchez Gomez, Reyna	2022-06-03	3.75	160.00	600.00
		7.50		1,200.00
Zukowski, Jonathan Thomas (Jonny)	2022-05-23	1.75	209.00	365.75
Zukowski, Jonathan Thomas (Jonny)	2022-05-24	6.50	209.00	1,358.50
Zukowski, Jonathan Thomas (Jonny)	2022-05-26	7.25	209.00	1,515.25
Zukowski, Jonathan Thomas (Jonny)	2022-05-27	7.50	209.00	1,567.50
Zukowski, Jonathan Thomas (Jonny)	2022-05-31	6.50	209.00	1,358.50
Zukowski, Jonathan Thomas (Jonny)	2022-06-01	1.00	209.00	209.00
Zukowski, Jonathan Thomas (Jonny)	2022-06-02	4.00	209.00	836.00
Zukowski, Jonathan Thomas (Jonny)	2022-06-03	6.00	209.00	1,254.00
Zukowski, Jonathan Thomas (Jonny)	2022-06-06	6.00	209.00	1,254.00
Zukowski, Jonathan Thomas (Jonny)	2022-06-07	7.50	209.00	1,567.50

INVOICE

Invoice Number

1955410

Project Number

184031368

Zukowski, Jonathan Thomas (Jonny)	2022-06-08	5.50	209.00	1,149.50
Zukowski, Jonathan Thomas (Jonny)	2022-06-09	1.00	209.00	209.00
Zukowski, Jonathan Thomas (Jonny)	2022-06-16	0.75	209.00	156.75
		61.25		12,801.25

Professional Services Subtotal

122.75

26,131.25

Low Task 202.002 Subtotal

26,131.25

Low Task 202.004

Project Management, Meetings, and Communication

Professional Services

Category/Employee

Date

Hours

Rate

Current Amount

Glaeser, Autumn Lee	2022-05-25	1.00	237.00	237.00
Glaeser, Autumn Lee	2022-05-31	2.00	237.00	474.00
Glaeser, Autumn Lee	2022-06-03	1.00	237.00	237.00
Glaeser, Autumn Lee	2022-06-06	1.00	237.00	237.00
Glaeser, Autumn Lee	2022-06-09	1.00	237.00	237.00
Glaeser, Autumn Lee	2022-06-13	2.00	237.00	474.00
Glaeser, Autumn Lee	2022-06-16	2.00	237.00	474.00
		10.00		2,370.00

Professional Services Subtotal

10.00

2,370.00

Low Task 202.004 Subtotal

2,370.00

Top Task 202 Total

28,501.25

Total Fees & Disbursements

\$28,501.25

INVOICE TOTAL (USD)

\$28,501.25

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 # 220730
Invoice Date: 7/30/2022

Dear President Fayram,

Please see the below for professional services provided, plus any purchases made on behalf of the District.

Date	Description	Units	Rate	Amount
7/30/2022	General Manager Services - LOCSD (7/1/22-7/31/22) See Attached for Details	35	\$ 135.00	\$ 4,725.00
Total				\$ 4,725.00

Thank you for your continued support.



Email: GM.LOCSD@gmail.com

Date	Description	Hours	Rate	Amount
7/4/2022	Fayram - Check-in	0.5	\$ 135.00	\$ 67.50
	Finance Committee Agenda	1.25	\$ 135.00	\$ 168.75
7/5/2022	7/13 Regular and Workshop Agendas	2	\$ 135.00	\$ 270.00
7/6/2022	Cloacina meeting - w/Fayram	1	\$ 135.00	\$ 135.00
	Budget adoption, CPI resolutions	1.75	\$ 135.00	\$ 236.25
	Website updates, 7/13 Regular Agenda, 30% Design posting	2.25	\$ 135.00	\$ 303.75
7/7/2022	Budget and Gann limit resolutions, finalize agendas	2.5	\$ 135.00	\$ 337.50
	Respond to emails, coordinate meetings, project follow up, audit research	1.25	\$ 135.00	\$ 168.75
7/8/2022	Finance Committee meeting and minutes	1	\$ 135.00	\$ 135.00
	Adjust 7/13 agenda based on Finance Committee comments and posting	1	\$ 135.00	\$ 135.00
	Audit and communications intern conversations	0.75	\$ 135.00	\$ 101.25
	Elections discussions, notice to residents about 7/13 meeting,			
7/12/2022	Cloacina emails	1.5	\$ 135.00	\$ 202.50
7/13/2022	Meeting preparation, elections notifications, options table	2	\$ 135.00	\$ 270.00
	Meeting (Regular and Workshop)	3.5	\$ 135.00	\$ 472.50
7/15/2022	Intern meeting	0.5	\$ 135.00	\$ 67.50
	Board update	0.5	\$ 135.00	\$ 67.50
7/16/2022	Minutes, meeting scheduling (NV5, GSI/Confluence/Stantec)	1	\$ 135.00	\$ 135.00
7/18/2022	Fayram - Check-in, w/Palmer	0.5	\$ 135.00	\$ 67.50
	Stantec, Orenco, Padre SOQ meetings, grant invoices	2	\$ 135.00	\$ 270.00
7/19/2022	Stantec/Doug - 30% design - prep for August 10 meeting	1	\$ 135.00	\$ 135.00
7/20/2022	Stantec/GSI/Confluence Meeting	0.5	\$ 135.00	\$ 67.50
	Director vacancy, posting and notifications	1	\$ 135.00	\$ 135.00
7/21/2022	NV5 meeting	1.25	\$ 135.00	\$ 168.75
	<i>Intern assignments, check-in</i>	0.5	\$ 135.00	\$ 67.50
	Website updates, minutes completion	1	\$ 135.00	\$ 135.00
	County/RQWCB meeting	1.25	\$ 135.00	\$ 168.75
7/22/2022	Mail list management, website updates	0.5	\$ 135.00	\$ 67.50
7/25/2022	30% design review	1.5	\$ 135.00	\$ 202.50
7/27/2022	1/4 newsletter	1	\$ 135.00	\$ 135.00
7/28/2022	1/4 newsletter, emails, mailer research	2	\$ 135.00	\$ 270.00
	Congressman Carbajal's office meeting	1	\$ 135.00	\$ 135.00
	Totals	39.25	\$	5,298.75



Guy Savage <gm.locsd@gmail.com>

Re: Request to exceed 30 hours

Thomas Fayram <tom.fayram.locsd@gmail.com>
To: General Manager - LOCSD <gm.locsd@gmail.com>

Mon, Jul 18, 2022 at 6:19 PM

Approved. Thanks for all you work

On Jul 18, 2022, at 4:16 PM, General Manager - LOCSD <gm.locsd@gmail.com> wrote:

Tom,

Looks like this month could be another one that goes closer to 50 hours. Hence this request to exceed the agreed to number of hours by up to 10 hours (max 40 in July).

Guy

Guy Savage
General Manager
Los Olivos Community Services District
PO Box 345, Los Olivos, CA 93441
(805) 500-4098
www.LosOlivosCSD.com

ITEM 7A – BUSINESS – DIRECTOR APPOINTMENT

BUSINESS – DIRECTOR APPOINTMENT

Thomas Fayram, President
Brad Ross, Vice President
Mike Arme, Director
Lisa Palmer, Director



PO Box 345, Los Olivos Ca 93441
Telephone (805) 500-4098
losolivoscscsd@gmail.com
www.losolivoscscsd.com

Oath of Office:

I, full name , do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic, that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

LOCSO DIRECTOR APPLICANT QUESTIONNAIRE

NAME: Julie Kennedy

ADDRESS: Los Olivos, CA 93441

TELEPHONE: EMAIL:

1) Why are you interested in the Director position and how does your background prepare you for this position?

My interest is entirely to help craft a solution that is affordable to the property owners in the District and meets their short and long term need, and also satisfies mandated State and local wastewater requirements. I served as a board member for 2 years and helped with the District formation effort. I understand the role of a Board Member, most of the issues the District is dealing with and have been resident of Los Olivos for almost 20 years.

2) What is your vision for the Los Olivos Community Services District over the next four years?

- Facilitate a community discussion that sets the state for a successful Prop 218 vote process
- Procure as much funding from as many State and Local resources as possible
- Get a shovel in the ground
- Ensure financial viability for the District for the short and long term

3) What do you foresee as the biggest issue for the District as it moves towards a Proposition 218 vote?

- Way too much misinformation being spread which is creating tremendous confusion for everyone
- The information is very technical and difficult to understand, how to make it more approachable and understandable
- The slow erosion of trust within our community (misinformation and the slow movement from the local and State entities)
- Money

4) How will you engage taxpayers in the Los Olivos Community Services District's activities?

Encourage participation at Board meetings, understand the process and options available to the community and District, and to ask questions if something is unclear. We need to help residents understand the complexities of this work in a fashion that can be more easily understood. The technical difficulty of the material and misinformation are also major contributors to the fear driving the community.

5) Please disclose any potential conflicts.

none

6) Please disclose any involvement with current and/or pending litigation

none

Tom Fayram, President
Brad Ross, Vice-President
Mike Arme, Director
Lisa Palmer, Director



POSTING DATE: JULY 21, 2022

LOS OLIVOS COMMUNITY SERVICES DISTRICT

As of July 2, 2022, one of five positions of Director for the Los Olivos Community Services District is vacant due to a resignation. At the Regular Board Meeting held July 13, 2022, the remaining members of the Board of Directors chose to fill the vacancy by appointment in accordance with Government Code Section 1780. Therefore, an appointment may be made after this notice has been posted for fifteen (15) days.

Applicants for the Director position must be registered voters and reside within the boundaries of the Los Olivos Community Services District as shown on the attached map.

To be considered for the position, please submit a Director Applicant Questionnaire to the Los Olivos Community Services District. The questionnaire can be sent via USPS to:

Los Olivos Community Services District
Attn: General Manager – Guy Savage
PO Box 345
Los Olivos, CA 93441

Questionnaires may also be emailed to the General Manager at GM.LOCSD@gmail.com. To be considered for the opening, questionnaires must be received on or before **August 5, 2022**.

The Director Applicant Questionnaire is attached and is also available on the District's website at www.losolivoscscsd.com.

Please note that your completed questionnaire (except for your phone number, address, and email) will be included in the Board of Directors' agenda packet materials and will be a public record.

The Board of Directors will consider the appointment at its Regular Meeting on August 10, 2022, 6PM, St. Mark's In the Valley Church, Stacy Hall.

POSTED ON OR BEFORE JULY 21, 2022 AT THE FOLLOWING LOCATIONS:

US Post Office – 2880 Grand Avenue, Suite B, Los Olivos, CA
R County Market – 2948 Grand Avenue, Los Olivos, CA
The District's website: www.losolivoscscsd.com



LOCS D DIRECTOR APPLICANT QUESTIONNAIRE

NAME: Thomas A. Nelson

ADDRESS: [REDACTED]

TELEPHONE: [REDACTED] EMAIL: [REDACTED]

(attach additional sheets if necessary)

1) Why are you interested in the Director position and how does your background prepare you for this position?

I am interested in representing my residential community members in the development of the Los Olivos Wastewater Treatment system. I have been a member of several boards and understand how they are supposed to work. I have been the President of two homeowners' associations and one included the planning, development and execution of a 10-million-dollar total renovation of the infrastructure and all building components in a beach side community. I want to work with the LOCD Board to help improve the communications with the District residents and the neighboring affected non-District residents in the development of the best end product for the entire community.

2) What is your vision for the Los Olivos Community Services District over the next four years?

I want to see the best and most efficient wastewater treatment system that the community can afford. I also want to see the inclusion of a reclaimed water element included to aim toward solving the drought issue that has plagued California and the Santa Ynez Valley for decades. Both of these related elements will best serve the community and the environment. I do not want to see the Los Olivos Community continue to expand and grow and spread. We have a vital community and the addition of tourist-focused amenities, such as street lights and parking lots, will destroy the very reason everyone comes to Los Olivos and the Santa Ynez Valley and will alienate local residents.

3) What do you foresee as the biggest issue for the District as it moves towards a Proposition 218 vote?

The biggest problem I anticipate is the size and location of the treatment plant. I believe the LOCS D must include everyone who will be directly affected by the size and location. We must be open; we must listen and we must be good neighbors. Wherever the plant is located there will be a change in the neighborhood and that change should be mitigated as much as possible. What we do now will have long term impacts on the properties and families residing nearby. We must plan carefully and act with civility understanding we will have objections and we must seek compromise in our solutions.

4) How will you engage taxpayers in the Los Olivos Community Services District's activities?

I will engage all people with openness, frankness and transparency in all stages of the process. The taxpayer residents have much more of a stake in this project than any business. Businesses will come and go, but residents will be here for the long haul and will be who keeps Los Olivos the desirable community and destination that it is.

5) Please disclose any potential conflicts.

I am unaware of any existing conflicts of interest.

6) Please disclose any involvement with current and/or pending litigation?

I am not involved in any litigations, current or pending.

ITEM 7B – BUSINESS – 30% DESIGN DOCUMENTS

BUSINESS – 30% DESIGN DOCUMENTS

Thomas Fayram, President
Brad Ross, Vice President
Mike Arme, Director
Lisa Palmer, Director



PO Box 345, Los Olivos Ca 93441
Telephone (805) 500-4098
losolivoscscsd@gmail.com
www.losolivoscscsd.com

30% Design Documents

Due to the size of the deliverable, the design documents are not included in the Agenda Packet. The documents may be found on the District's website at:

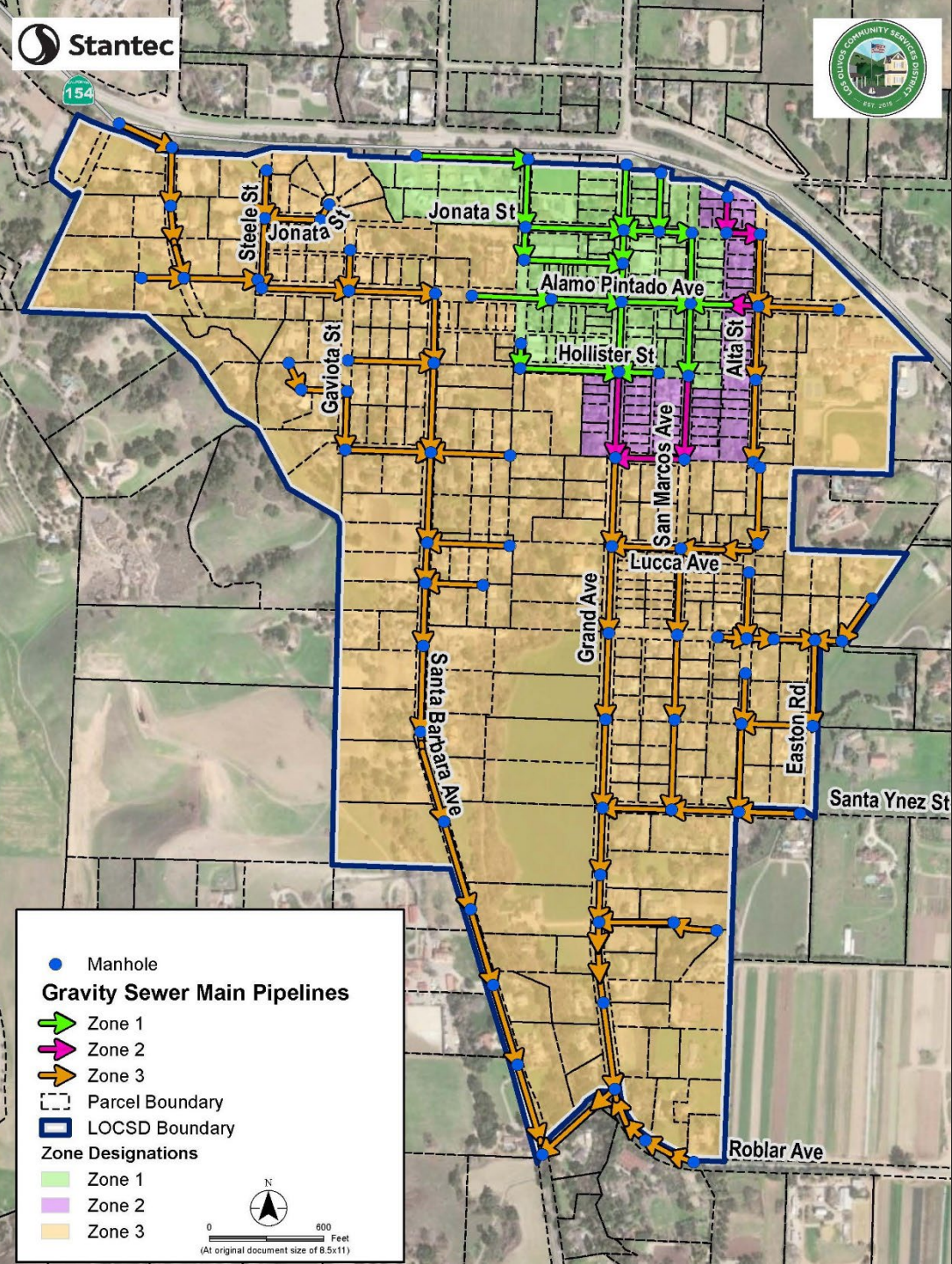
<https://www.losolivoscscsd.com/technical-studies-and-reports>

Electronic copies may also be requested via email to:

gm.locsd@gmail.com

or by USPS at:

General Manager
PO Box 345
Los Olivos, CA 93441



Los Olivos CSD
Septic to Sewer

30 Percent Design



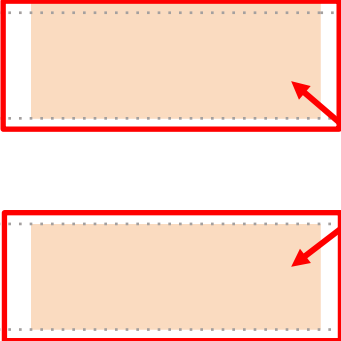
Agenda

1. Project Components
2. Proposed District Zones
3. Wastewater Treatment Plant
4. Proposed Gravity Sewer Collection System
5. Proposed Costs

Septic to Sewer – Project Components

Major Design Component	Lead		
	Stantec	District	Other Consultant(s)
➤ Wastewater Loading Study	Stantec	District	Other Consultant(s)
➤ Collection System Design (30% & 60%)	Stantec	District	Other Consultant(s)
➤ Wastewater Treatment Plant Design	Stantec	District	Other Consultant(s)
➤ Wastewater Treatment Plant Layout	Stantec	District	Other Consultant(s)
➤ Disposal Method & Design	Stantec	District	Other Consultant(s)
➤ Architectural Components	Stantec	District	Other Consultant(s)
➤ Permitting	Stantec	District	Other Consultant(s)
➤ Emergency Outfall	Stantec	District	Other Consultant(s)
➤ Property Acquisition	Stantec	District	Other Consultant(s)

Today's Presentation Topic



Proposed District Zones

①

Zone 1

- Downtown commercial lots with neighboring residential properties
- 77 lots

②

Zone 2

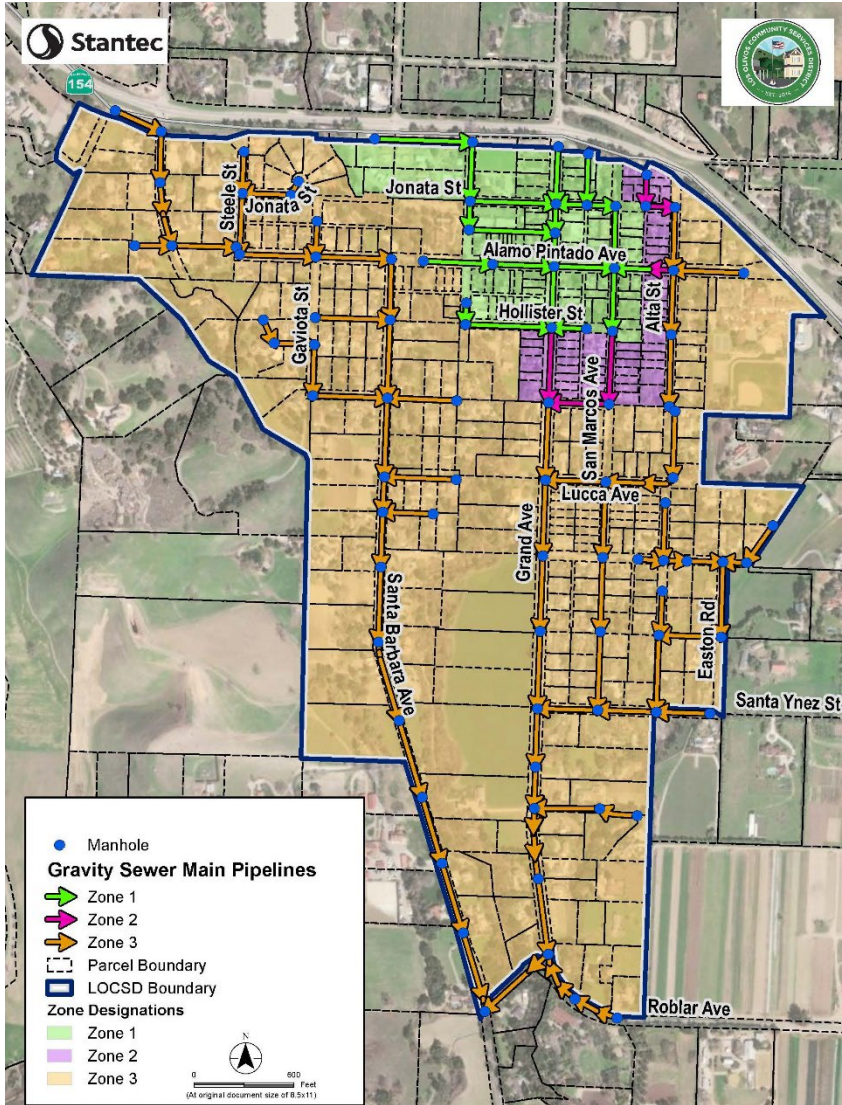
- Small residential lots
- 50 lots

③

Zone 3

- Remaining lots within the District
- 264 lots

Proposed District Zones



Zones 1 and 2

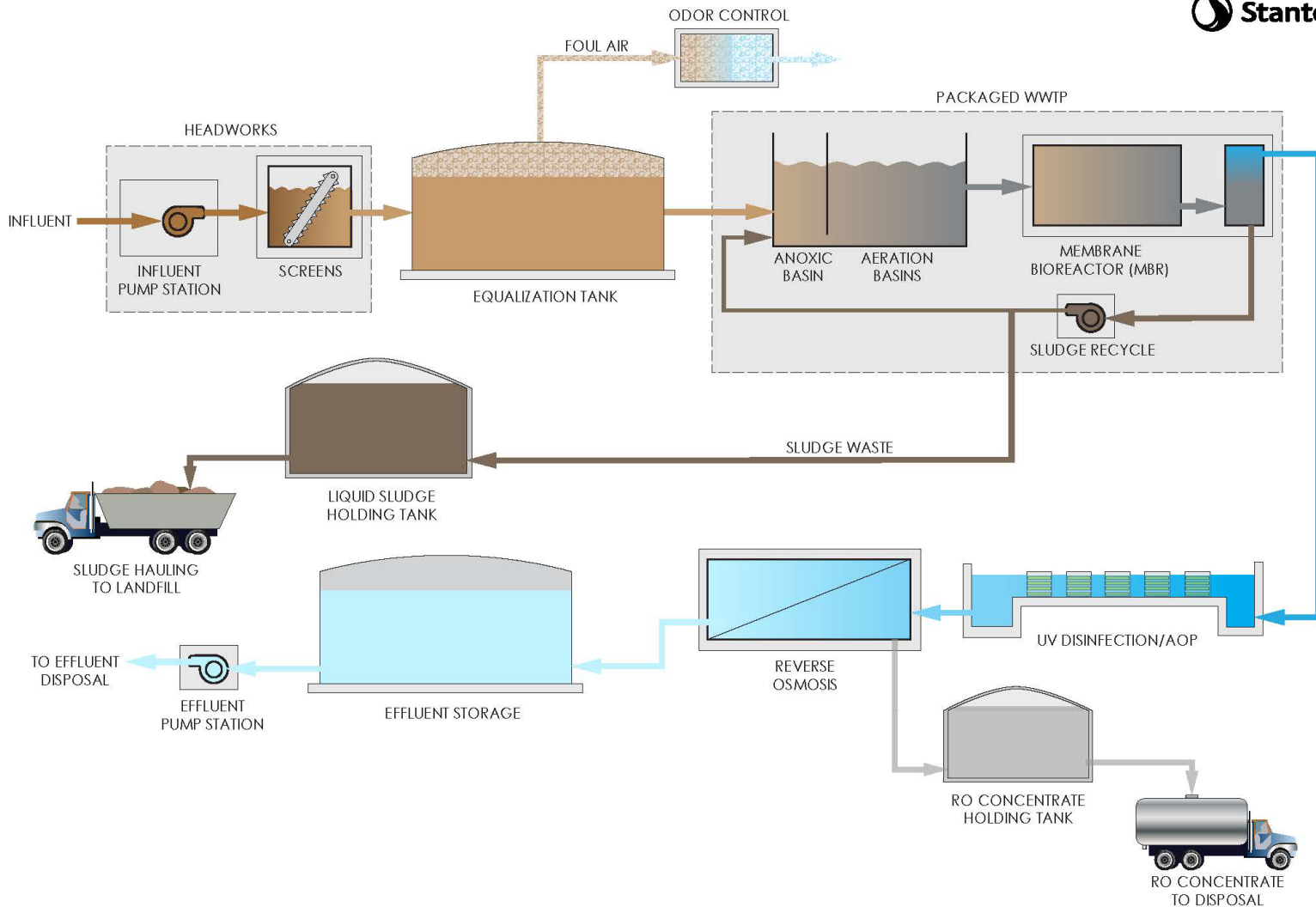
Wastewater Treatment Plan - Proposed Wastewater Flows

Design Flows

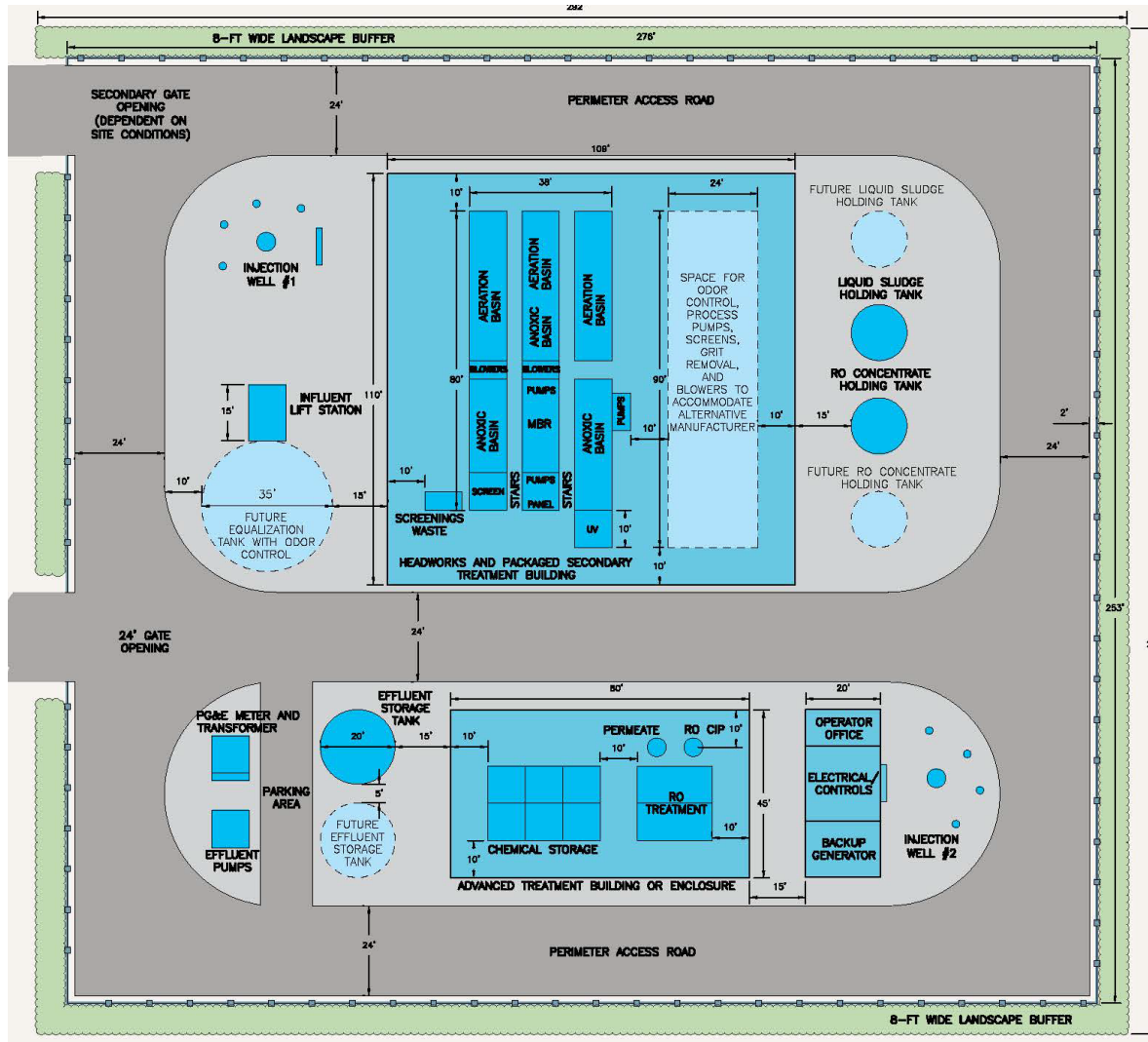
	Existing Flows (Calculated)	Proposed 20-Year Buildout Design Flows	ADUs	Proposed 20-Year Buildout Design Flows with ADUs
	<i>Average Daily Flows - gal (Maximum Daily Flows - gal)</i>	<i>Average Daily Flows - gal (Maximum Daily Flows - gal)</i>	<i>Average Daily Flows - gal (Maximum Daily Flows - gal)</i>	<i>Average Daily Flows - gal (Maximum Daily Flows - gal)</i>
Zone 1 – Commercial & Residential Lots	27,800 (89,000)	43,800 (140,000)		43,800 (140,000)
Zone 2 – Small Lots	10,500 (33,700)	10,800 (34,400)		10,800 (34,400)
Zone 3 – Remaining Lots	58,000 (185,800)	63,300 (202,400)	2,600 (8,300)	65,800 (210,700)
Total	96,400 (308,500)	117,800 (376,800)	2,600 (8,300)	120,300 (385,000)

Note: Flows from the Basis of Design Report by Stantec dated January 7, 2022

Wastewater Treatment Plant - Process Flow Diagram



Wastewater Treatment Plant - Preliminary Layout

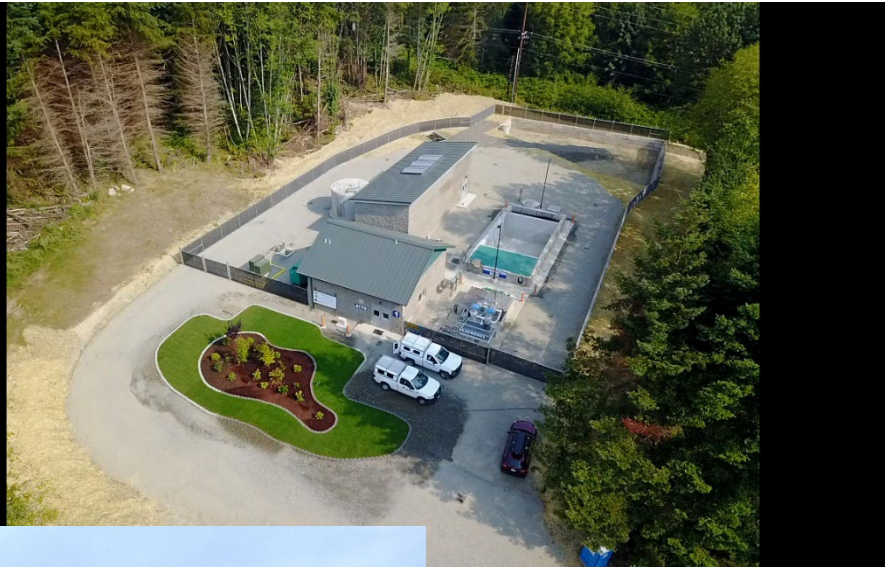


NOTES:

1. The location of the influent pump station will be determined by the location of the wastewater treatment plant site.
2. The site is based on the Cloacina MBR package provided by the district.

Note: Lift station may be located offsite depending on final site location.

Wastewater Treatment Plant - Example MBR Buildings

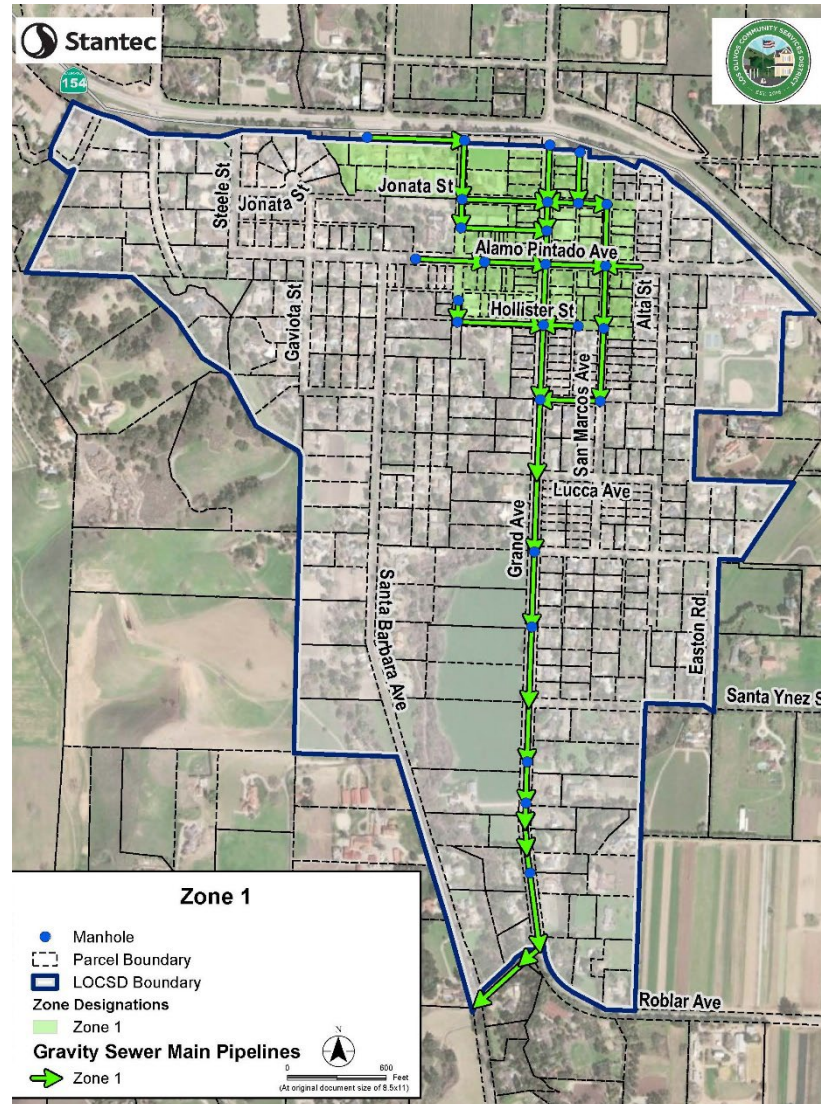


Photos for reference only, these sites vary
in features and capacity.

Gravity Sewer Collection System Design Criteria

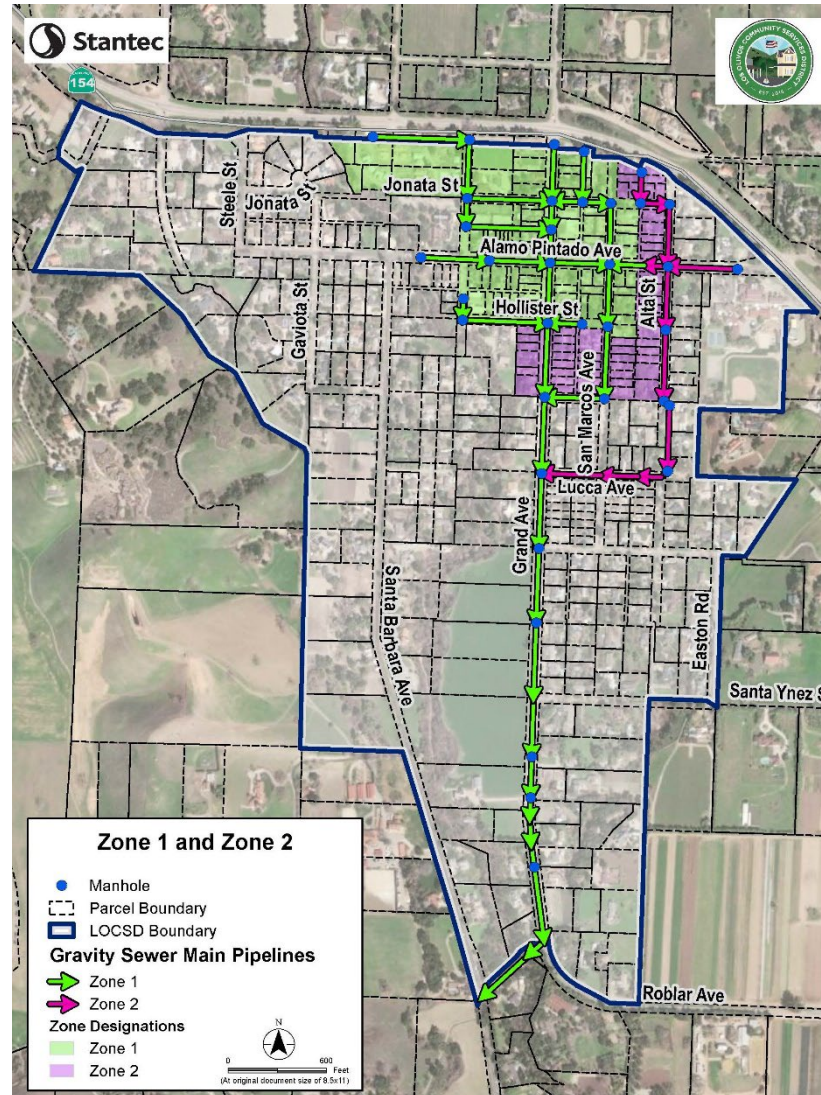
- Preference for gravity sewer
- Minimum 6-inch diameter sewer mains
- Minimum 0.5% slope
- Maximum 10% slope
- Limited pump stations
- Minimum 6-feet cover over sewer mains
- Minimum 4-feet cover over sewer laterals
- Maximum 500-feet distance between manholes

Zone 1 – Proposed Infrastructure



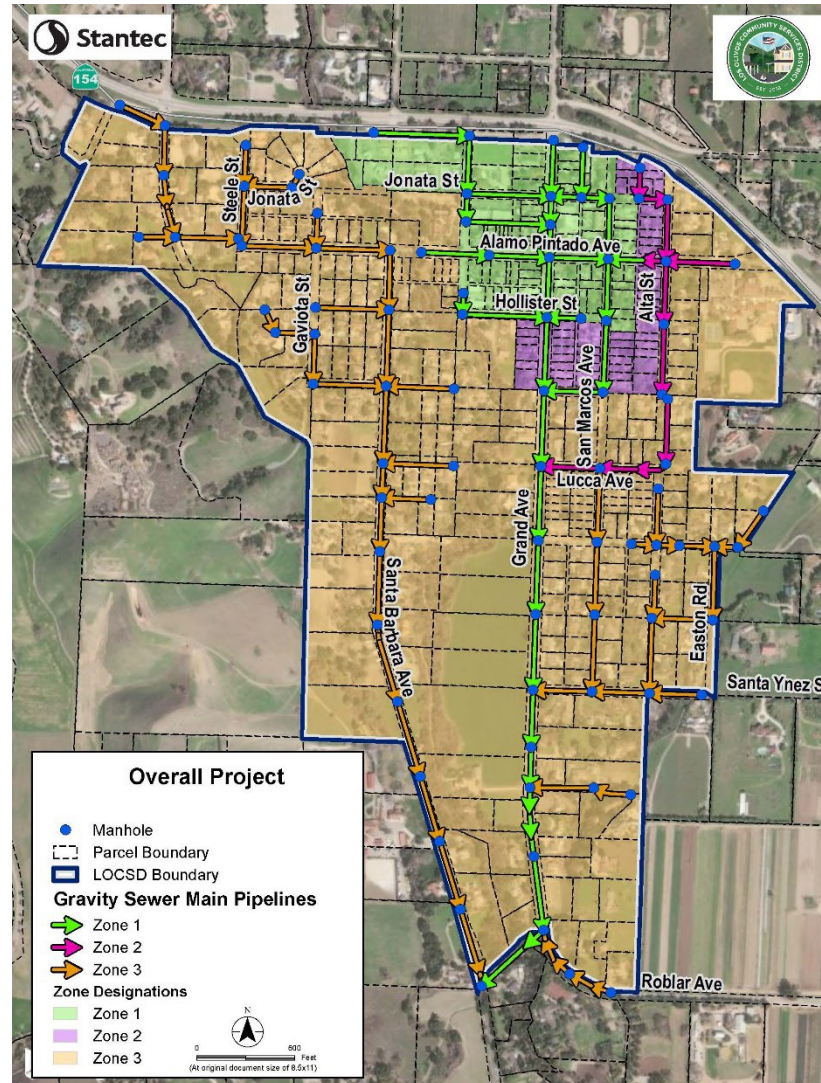
Zone 1 Preliminary
Construction Opinion of
Probable Cost:
\$30,300,000
*(assumes a treatment plant
to the north)

Zones 1 & 2 – Proposed Infrastructure



Zone 1 & 2 Preliminary
Construction Opinion of
Probable Cost:
\$32,000,000
*(assumes a treatment plant
to the north)

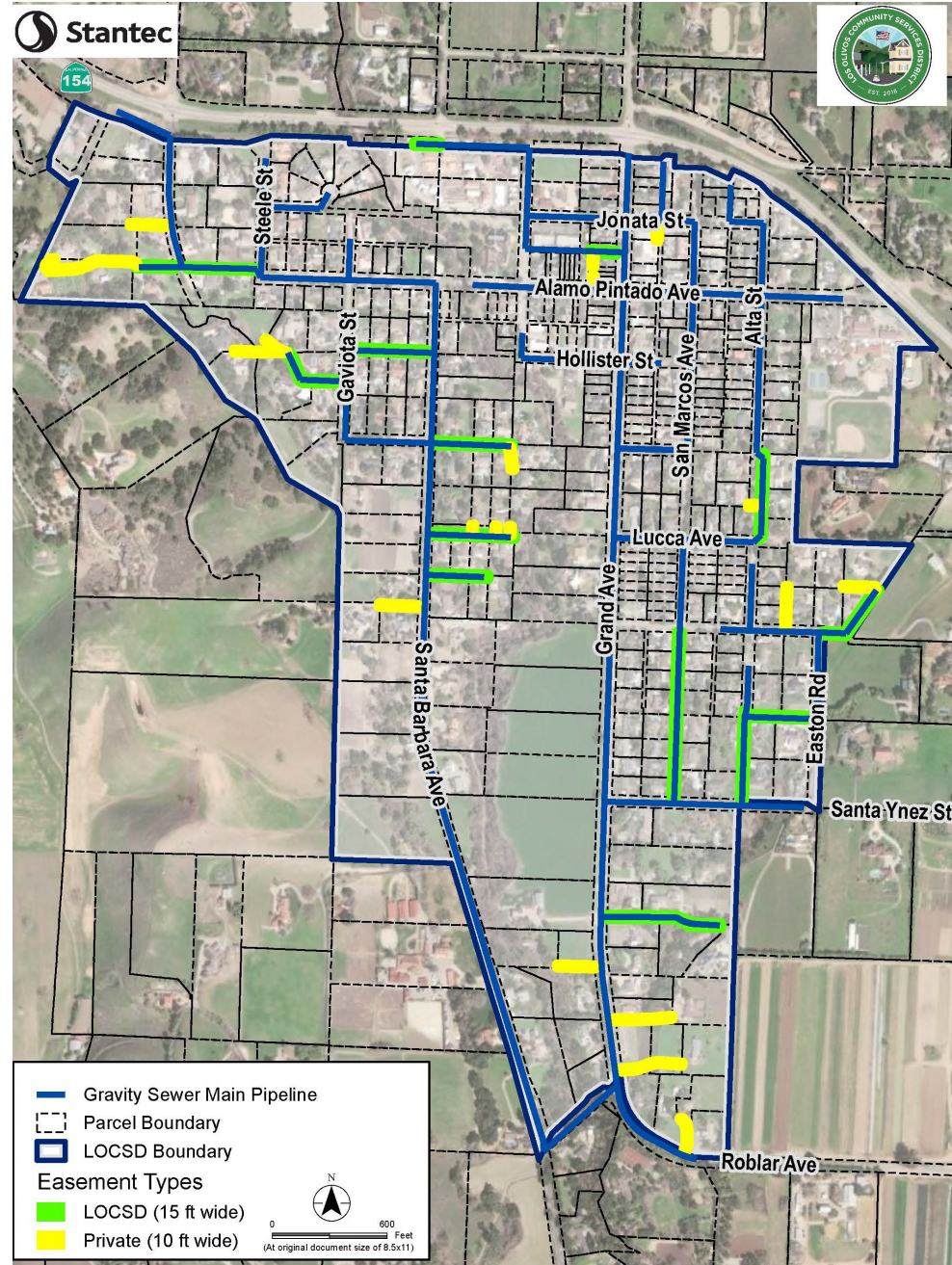
Zones 1,2, & 3 – Proposed Infrastructure



Zone 1, 2, & 3 Preliminary
Construction Opinion of
Probable Cost:
\$47,800,000
*(assumes a treatment plant to
the north)

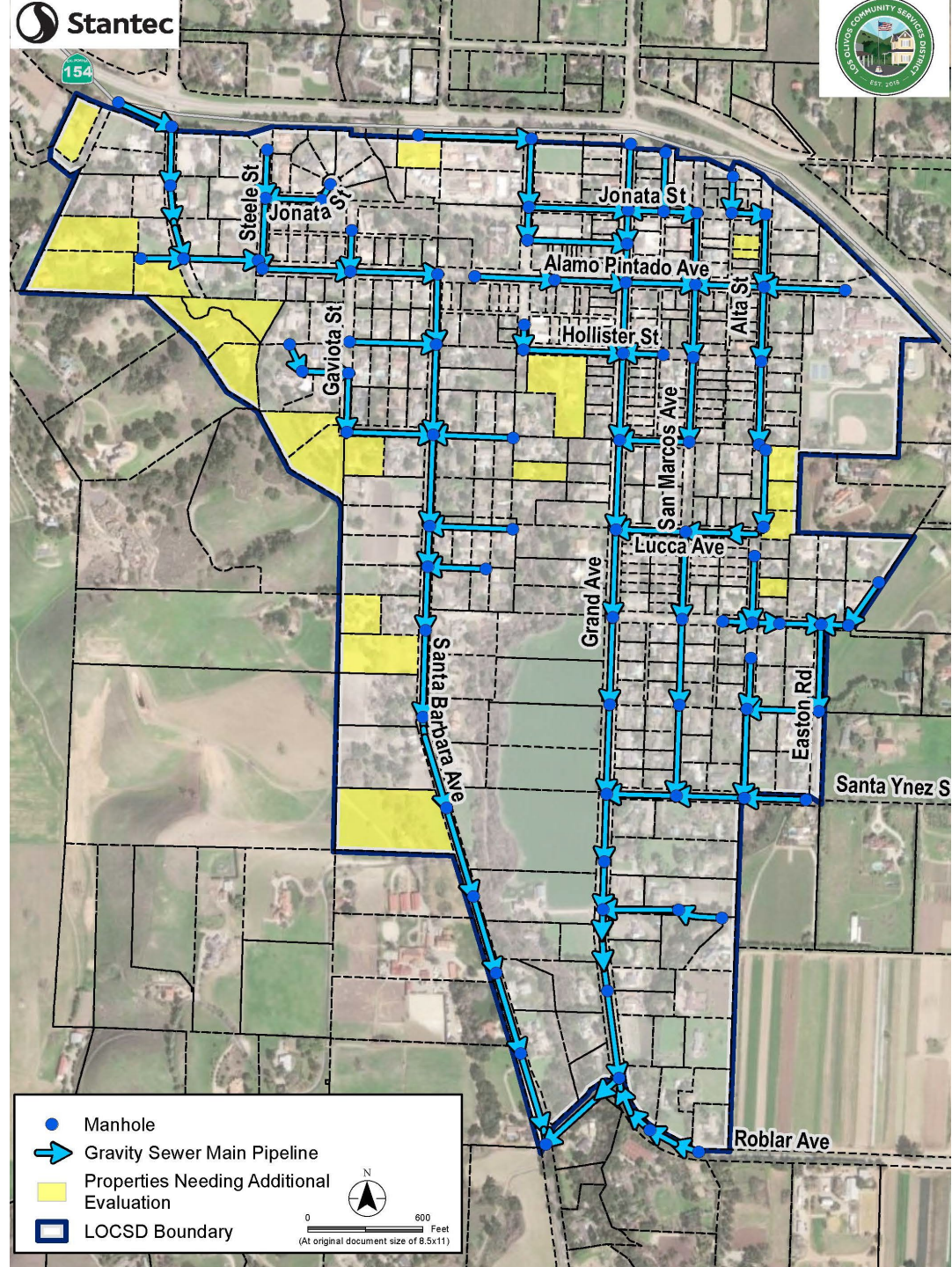
Easements

- **Sewer mains** that cross private property will require an easement from the property owners to LOCSD
- **Private sewer laterals** that cross another property will require a private easement



Laterals

- Further evaluation of private sewer connection elevations compared to proposed sewer depths is required.
- Solutions may include:
 - Deeper public mains
 - An additional public sewer lift station
 - Private sewer pump with private force lateral to public sewer main

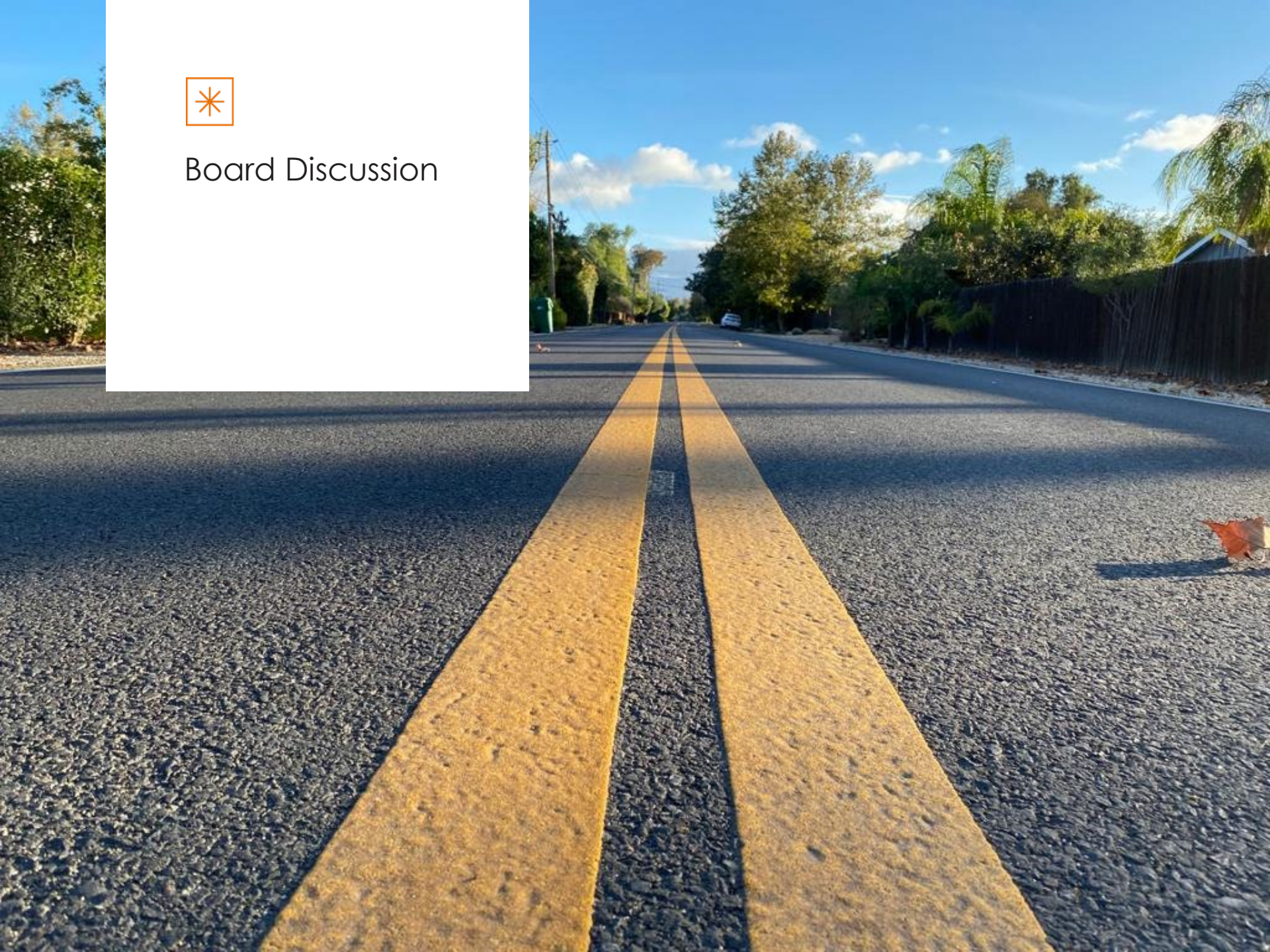


Proposed Costs

	North Option	South Option
Zone 1	\$30,300,000	\$28,700,000
Zone 2	\$ 1,700,000	\$ 1,700,000
Zone 3	\$15,800,000	\$15,800,000
Total	\$47,800,000	\$46,200,000



Board Discussion



ITEM 7C – BUSINESS – AUDIT CONTRACT

BUSINESS – AUDIT CONTRACT



July 15, 2022

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

We are pleased to confirm our understanding of the services we are to provide Los Olivos Community Services District for the period ended June 30, 2019. We will audit the financial statements of the business-type activities, the major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Los Olivos Community Services District as of and for the period year ended June 30, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Los Olivos Community Services District's basic financial statements. Such 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Los Olivos Community Services District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Los Olivos Community Services District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Los Olivos Community Services District's financial statements. Our report will be addressed to the Board of Directors of Los Olivos Community Services District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will

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also state that the report is not suitable for any other purpose. If during our audit we become aware that Los Olivos Community Services District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Los Olivos Community Services District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Los Olivos Community Services District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Agency; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Moss, Levy & Hartzheim LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of California or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Moss, Levy & Hartzheim LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State of California. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately August 15, 2022 and to issue our reports no later than December 15, 2022. Alexander C. Hom, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$2,500. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Los Olivos Community Services District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Moss, Levy & Hartzheim LLP

Moss, Levy & Hartzheim LLP

RESPONSE:

This letter correctly sets forth the understanding of Los Olivos Community Services District.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



July 25, 2022

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

We are pleased to confirm our understanding of the services we are to provide Los Olivos Community Services District for the fiscal years ended June 30, 2020 and June 30, 2021. We will audit the financial statements of the business-type activities, the major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Los Olivos Community Services District as of and for the fiscal years ended June 30, 2020 and June 30, 2021. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Los Olivos Community Services District's basic financial statements. Such 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 financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Los Olivos Community Services District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Budgetary Comparison

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Los Olivos Community Services District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Los Olivos Community Services District's financial statements. Our report will be addressed to the Board of Directors of Los Olivos Community Services District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will

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also state that the report is not suitable for any other purpose. If during our audit we become aware that Los Olivos Community Services District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Los Olivos Community Services District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Los Olivos Community Services District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Agency; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Moss, Levy & Hartzheim LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of California or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Moss, Levy & Hartzheim LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the State of California. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately December 1, 2022 and to issue our reports no later than March 15, 2023. Alexander C. Hom, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$2,590 for the fiscal year ended June 30, 2020 and \$2,685 for the fiscal year ended June 30, 2021. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Los Olivos Community Services District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Moss, Levy & Hartzheim LLP

Moss, Levy & Hartzheim LLP

RESPONSE:

This letter correctly sets forth the understanding of Los Olivos Community Services District.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____