

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



**LOS OLIVOS COMMUNITY SERVICES DISTRICT
REGULAR MEETING**

**Posted: 1-8-2026
REVISED 1-9-2026**

January 14, 2026, 6PM (Pacific)

Los Olivos Grange Hall

2374 Alamo Pintado Ave, Los Olivos CA 93441

Please observe decorum and instructions from the President

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

On Zoom:

<https://us06web.zoom.us/j/85195290804?pwd=rO5nrKISaewJAVMeY3MbZ7mtLlxudn.1>

By Phone:

Meeting ID: 851 9529 0804 Passcode: 473619

One tap: +14086380968,,85195290804#,,,,*473619# US (San Jose)

The Los Olivos Community Services District (LOCS D) is committed to ensuring equal access to meetings. In compliance with the American Disabilities Act (ADA), if you need special assistance to participate in the meeting or need this agenda provided in a disability-related alternative format, please call 805.500.4098 or email to losolivoscsd@gmail.com. Agendas and meeting packets are generally available to the public at the Los Olivos Post Office - 2880 Grand Avenue. Any public records, which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at a location to be determined in Los Olivos, California 93441.

MEETING AGENDA

1. CALL TO ORDER

2. ROLL CALL

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

Members of the public may address the Board of Directors on any items of interest within the subject matter and jurisdiction of the Board that is not on the agenda today (Gov. Code - 54954.3). The public may also suggest future agenda topics at this time. Speakers are limited to a maximum of 3 minutes. Due to the requirements of the Ralph M. Brown Act, the Board of Directors cannot take action today on any matter not on the agenda, but a matter raised during Public Comments can be referred to District staff for discussion and possible action at a future meeting.

INFORMATIONAL ITEM:

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

5. GENERAL MANAGER'S BRIEF DISTRICT STATUS REPORT

ADMINISTRATIVE ACTION ITEMS:

All matters listed hereunder constitute an administrative / consent agenda and will be acted upon by a single vote of the Board. Matters listed on the Consent Agenda will be read only at the request of a member of the Board, in which

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

losolivoscsd@gmail.com, www.losolivoscsd.com

event the matter may be removed from the Consent Agenda and considered as a separate item. The public may comment on any of the items prior to any action being taken by the Board.

6. CONSENT AGENDA

A. APPROVAL OF MEETING MINUTES

Regular Meeting minutes of December 10, 2025.

B. APPROVAL PAYMENT OF INVOICES RECEIVED ON OR BEFORE JANUARY 3, 2026.

No.	Invoice Date	Invoice #	Provider	Amount
1	11/17/2025	100818	Aleshire & Wynder – Legal Services	\$ 1,193.40
2	12/11/2025	101289	Aleshire & Wynder – Legal Services	\$ 678.60
3	11/24/2025	91997	MNS – Engineering Services	\$ 832.50
4	12/15/2025	92248	MNS – Engineering Services	\$ 370.00
5	12/19/2025	66795	Wallace Group – Phase 1 Design	\$ 51,944.35
6	12/31/2025	202512	GWS – General Management Services	\$ 4,480.50
7	1/2/2026	1068	Civic Sol Accounting – Accounting Services	\$ 186.25

Project	Vendor	To Date (including current invoices)	Total Authorization
Phase 1 - 90% Design / 30-year cost of ownership	Wallace Group	\$ 67,244.10	\$ 403,000.00
Environmental Review	Padre	\$ 2,040.00	\$ 57,383.00

BUSINESS ITEMS:

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

7. CONSIDERATION OF ELECTION OF OFFICERS FOR CALENDAR YEAR 2026

Consistent with Resolution 23-02 (Selection of Board Officers), the Board will consider election of officers to fill the positions of President and Vice-President.

General Manager’s recommendation: Elect officers to serve as President and Vice-President for calendar year 2026.

8. CONSIDERATION OF A FINANCIAL APPLICATION IN THE AMOUNT OF \$1,485,000 AND APPROVAL OF RESOLUTION 26-01 – AUTHORIZATION FOR GENERAL MANAGER SAVAGE TO FILE AND SIGN STATE WATER RESOURCES CONTROL BOARD GRANT DOCUMENTS ON BEHALF OF THE LOS OLIVOS COMMUNITY SERVICES DISTRICT

The District has been discussing financial shortfalls related to the planning, design, and construction of its community wastewater solution since shortly after formation. On June 11, 2025, the District adopted Resolution 25-01 which defined a project for the collection of District wastewater, conveyance down Alamo Pintado Road to a connection point with the City of Solvang near Sunny Field Park, and the subsequent treatment and disposal of wastewater by the City. The District’s clearly stated approach is to obtain as much grant funding as possible to offset any and all of the costs of the Project. The District signed a contract with the Wallace Group on October 8, 2025 (<https://www.losolivoscsd.com/2025-10-08-regular-board-meeting>). The contract with the Wallace Group includes \$1,485,435 of design, engineering, and cost estimating tasks. On December 29, 2025, the Grants Subcommittee met with its primary discussion topic being the documents necessary for filing a State Water Resources Control Board financial application (grant). Based on that meeting, the General Manager filed the attached documents prior to December 31, 2025 deadline. Until a resolution such as Resolution 26-01 is filed with the State Water Resources Control Board the application will be considered incomplete. Resolution 26-01 is based on the attached the State Water Resources Control Board template.

General Manager’s recommendation: Discuss the State Water Resources Control Board grant and approve Resolution 26-01 designating General Manager Guy Savage as Authorized Representative of the District and authorize the submittal of a complete financial application with the State Water Resources Control Board in the amount of \$1,485,000.

9. DISCUSSION OF PROJECT TIMELINE, INCLUDING WHEN TO HOLD A PROPOSITION 218 VOTE, AND POSSIBLE PROPOSITION 218 ASSESSMENT APPROACHES

This item constitutes continued discussion from the August 13, 2025 and September 10, 2025 meetings of the LOCSD Board of Directors. At those meetings, no specific actions were taken beyond direction to staff. At your

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

losolivoscsd@gmail.com, www.losolivoscsd.com

December 10, 2025 meeting, the Board of Directors provided direction to staff to bring back a draft timeline of future activities and more information regarding parcel assessments.

Background: The District previously hired NV5 to provide Assessment Engineer services. NV5 built initial spreadsheets for assessment based solely on parcel size. The NV5 approach was based on gravity collection, MBR treatment within the district, and included disposal. NV5's Assessment Engineer noted that in his opinion, use of parcel size is the best allocation method as it is a parcel attribute that does not change over time. While the District could solely use size in its assessment calculation, there has been much discussion about the perception of equity and fairness in such an approach. For example, given its parcel size, the Fess Parker Wine Country Inn could end up paying less of a construction assessment than many residentially zoned and used parcels despite its larger consumption of sewage services. Consequently, the District has been exploring a shift of costs from residential-zoned parcels to those zoned for non-residential uses. Your Board has also discussed the potential of "zones of benefit" wherein different zones would be identified and costs associated depending upon the benefit the zone receives. Such zones could prove particularly beneficial should the District implement both effluent and gravity-fed collection approaches. The District has also been working with the County of Santa Barbara to implement a "can and will serve" process for sewer connections. Such a process would allow the District to size a wastewater treatment solution based on current and future uses based on existing parcel-owner plans. The approach is one way that the District can avoid including excess treatment capacity that indirectly encourages growth. When considering parcel owner plans, the District could implement an allocation-based system wherein a parcel owner could purchase a desired sewage flow amount and the District would only size solutions based on the cumulative, paid-for, amount of collection and treatment capacity. The District would then track purchased allocations to ensure that uses do not exceed plans. Those most familiar with the assessment engineering process have said that while additional study is necessary, such a system could be workable. However, they strongly advised that a parcel size component still be used in the calculation for assessments as parcel size is an indicator of future potential uses, even on parcels that continue to be zoned and used for residential purposes.

General Manager's recommendation: Discuss and provide direction to staff as appropriate.

10. CONSIDERATION OF ELECTION FOR SANTA BARBARA LOCAL AREA FORMATION COMMISSION (LAFCO) REGULAR SPECIAL DISTRICT MEMBER

Per Resolution 25-04, adopted by your Board of Directors on September 10, 2025, the President may vote on behalf of the LOCS D in LAFCO elections. LAFCO is currently holding an election for the independent Special District representative. Election submissions are due no later than 5:00 pm, Thursday, February 19, 2026. The LOCS D may choose to vote for one of the following Regular Special District Member nominees:

1. Dorinne Lee Johnson, Incumbent – Montecito Sanitary District
2. Robert Dunlap – Santa Ynez Eiver Water Conservation District

Consistent with Resolution 25-04, the President has chosen to place the upcoming election on the agenda. The packet of information received by the District from LAFCO is attached to this item.

General Manager's recommendation: Discuss and provide direction to the President as appropriate.

INFORMATIONAL ITEMS:

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

11. REPORTS

A. SUBCOMMITTEE REPORTS

Finance Subcommittee (President Kennedy Chair) – did not meet
Grants Subcommittee (Vice President Palmer Chair) – Met
Project Management Subcommittee (Vice President Palmer Chair) – did not meet
Technical Subcommittee (Director Fayram Chair) – did not meet
Prop 218 Ad hoc – did not meet

B. GENERAL MANAGER AND DISTRICT ENGINEER COMMENTS

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

Notable upcoming meeting items:

- March – Draft 30% design for effluent and gravity collection systems
- April – Collection approach discussion and decision

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

losolivoscscsd@gmail.com, www.losolivoscscsd.com

May – Director Fayram probably out

12. DIRECTORS COMMENTS

Directors will give reports on any meetings that they attended on behalf of the Board and/or choose to comment on various District-related activities. Directors may also request future agenda topics at this time.

13. ADJOURNMENT