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Los Olivos Community Services District - Frequently Asked Questions

These pages of information are designed to provide both high-level information and detailed analysis on topics related to the LOCSD. A user-friendly, interactive version of this information can also be found at: www.locsdinfo.com

As a set of Frequently Asked Questions (FAQs), the information is dynamic and may change as decisions are made, new information is available, or the situation warrants. Our FAQ is a factual set of information based on nearly 10 years of meetings, research, technical studies, and community discussions and provides high-level answers to questions you may have. These FAQs have been reviewed for accuracy by the California's Central Coast Regional Water Quality Control Board, the County of Santa Barbara, and others.

For many of the questions, there is a much more detailed or involved answer. Where additional information may be helpful, we have provided links to additional pages, documents, and other sources of information. We have attempted to organize the information in a logical fashion; however, we recognize that not all "chapter headings" will make sense to you or match how you would organize the information. We encourage you to use keyword searches as they may be the fastest way for you to get information on a specific topic or question. Note that because questions often overlap, information may be repeated in order to provide a "full" answer to the specific question being covered.

In short, our FAQ seeks to capture what has been learned, what is still under study and provides a common information set upon which to base future discussion and decisions. We hope you find this FAQ helpful. If you have questions or information that you believe should be captured in this FAQ, send us a note at: losolivoscsd@gmail.com

THE PROBLEM: NITRATES AND THE SPECIAL PROBLEMS AREA

Q: When did the Los Olivos become a Special Problems Area?
A: Initial designation for the Los Olivos area as a Special Problems Area was made on July 8, 1974. The designation originally included issues related to access (roads), flooding, and drainage. Septic system (sewage) issues were added a short time later.

Q: Am I in the District?
A: To help individuals understand if their property is within the LOCSD's boundaries, we created this webpage: https://www.losolivoscsd.com/am-i-in-the-district

Q: Why is the Los Olivos area a Special Problems Area (SPA)?
A: There are many reasons why we are a SPA, including septic system use.

More information: Our monitoring well testing shows that shallow groundwater (less than 100 feet below ground surface) in the area has elevated nitrogen levels. Meaning our septic systems are polluting the shallow groundwater table. The problem is particularly acute because we have numerous lots that are not suited for traditional septic system with leach fields due to their small size, a high-water table, and soils that do not percolate effectively. It is very important to note that this shallow groundwater is not used by the public water purveyor (Santa Ynez Water District, ID No.1) that serves local potable drinking water supplies.

See SPA map, LOCSD map, groundwater testing and water depths, nitrates,

Q: How big is the Special Problems Area (SPA) around Los Olivos?
A: The Los Olivos SPA is larger than the LOCSD. It encompasses a large number of lots north of Highway 154 as well as a few lots that surround the District.
See SPA map, LOCSD map

Q: Why aren't the boundaries of the LOCSD the same as the SPA?
A: The Santa Barbara Local Agency Formation Commission (LAFCO) determined the boundaries for the LOCSD by working with the volunteer committee who facilitated coordination with the community and formation of the District. As part of the boundary setting, they considered various attributes of lots within the SPA such as lot size, zoning, usage, location with regards to State highways, and proximity to creeks and waterways.
See SPA map, LOCSD map

Q: Are all ingested nitrates bad for your health?
A: No. Although, ingesting nitrates at the levels above established regulatory drinking water levels are scientifically demonstrated to be a detriment to human health. The regulatory limits and official health safety limit for nitrate as nitrogen (NO_3 as N) in public drinking water in the United States is 10 milligrams per liter (mg/L). 10 mg/L of NO_3 as N is the drinking water maximum contaminant level (MCL). The MCL is designed to protect against health risks such certain cancers and blue baby syndrome. Importantly, all potable water supplies provided by the public water purveyor (Santa Ynez Water District, ID No.1) are well below the drinking water MCL for nitrate.

More information: While nitrates themselves are not directly carcinogenic, their metabolic byproducts can pose cancer risks under certain conditions. Additionally, there is scientific evidence linking nitrates to blue baby syndrome, also known as methemoglobinemia. This condition primarily affects infants under six months old, as their bodies convert nitrates from drinking water into nitrites more efficiently than older children or adults. Elevated nitrite levels can interfere with the blood's ability to carry oxygen, leading to serious health

issues.
See https://www.waterboards.ca.gov/drinking_water/certlic/drinkingwater/Nitrate.html

Q: How can you say for sure that we have nitrates in our groundwater?
A: The LOCSD maintains and monitors shallow groundwater conditions using five monitoring wells within the District. Two of them are consistently at or above the drinking water regulatory allowed limits for nitrates. Two others are at nearly one-half the maximum allowed level.

More information: LOCSD monitoring wells are tested at water levels less than 100 feet below ground surface and that the shallow groundwater in the Los Olivos area is not used by the public water purveyor (Santa Ynez Water District, ID No.1) that serves local potable drinking water supplies. ID No.1 uses several sources of supply to provide potable water service to its customers, including water from the Santa Ynez River alluvium, State Water Project supplies, and deep groundwater wells that typically draw from over 500 to 1000 feet below ground surface. All potable water provided by ID No.1 meets all applicable state and federal drinking water standards, and all water supplies provided by ID No.1 are well below the 10 mg/L drinking water MCL for nitrate.

See groundwater testing, nitrates, Santa Ynez groundwater basin

Q: When it comes to nitrates, what is the difference between the MCL and the water quality objective levels established in the Water Quality Control Plan for the Central Coastal Basin (a.k.a. Basin Plan)?
A: The nitrate as nitrogen MCL is 10 mg/L for drinking water supplies, whereas the Basin Plan water quality objective is 1 mg/L as nitrogen (median value based on data averages). Both are legally enforceable under California law. Drinking water MCLs are regulated and enforced by the State Water Resources Control Board, Division of Drinking Water, whereas the Basin Plan objective is a discharge standard regulated by the State's Central Coast Regional Water Quality Control Board. At present, the District is trying to address nitrate issues brought about through discharges from septic systems. These discharges exceed the drinking water MCL and Basin Plan water quality objectives, and are a key reason the area has a SPA designation.
See groundwater testing, nitrates, Santa Ynez groundwater basin, basin plans

Q: I keep hearing about nitrates, nitrogen, nitrate as nitrogen, total nitrogen, ammonia, ammonium, and the MCL. It is confusing to follow. Which measures matter most to me as a property owner?
A: We believe the typical property owner should mostly focus on the legally enforceable limits - "total nitrogen" and "nitrate as nitrogen." The Central Coast Water Board Basin Plan sets 1 mg/L as total nitrogen legally enforceable groundwater water quality objective. The

Federal and State of California legally enforceable MCL of 10 mg/L nitrate as nitrogen is the limit for drinking water.

More information: As is noted several times in this FAQ, all potable water provided by ID No.1 meets all applicable state and federal drinking water standards, and all water supplies provided by ID No.1 are well below the 10 mg/L drinking water MCL for nitrate.

Q: How do we know our nitrate issues are caused by septic tanks and not by agricultural or other uses?

A: The results from May 2024 nitrogen isotope testing show nitrogen present in all five groundwater monitoring are of a sewage origin. Nitrates from human waste are typically associated with higher levels of pathogens and specific chemical markers, while agricultural fertilizers often contain higher concentrations of compounds like ammonia. Samples from LOCSD wells have been tested for these indicators which have helped us to determine that the primary source of our nitrate problem is human based.

More information: We know our issue is caused by septic tanks based on nitrogen isotope analysis performed in May 2024 on the groundwater collected from all five of our groundwater monitoring wells. Isotopes are forms of the same chemical element that have the same number of protons but a different number of neutrons. Nitrogen isotopes from synthetic agricultural fertilizers significantly differ from domestic wastewater isotopes, which makes it easy to ascertain the origin of the nitrogen.

See CCRWQCB groundwater testing results at this weblink: https://documents.geotracker.waterboards.ca.gov/regulators/deliverable_documents/4027936637/2024-6-24%20LOCSD%20WQ%20Summary%20May%202024.pdf

See groundwater testing, https://www.gov.uk/government/publications/nitrates-and-nitrites-the-science-explained/nitrates-and-nitrites-the-science-explained

Q: Does most of the nitrate problem originate with downtown businesses?

A: No. Our twice-a-year testing shows that residential lots are also significant contributors to our nitrate problem.

See groundwater testing

Q: Is regular septic pump-out/inspection (every 3–5 years) sufficient on its own to prevent further nitrate increases, especially on small downtown-core lots?

A: No. While regular pumping is important in maintaining a properly functioning system, it removes the solids and a small portion of the nitrates in the waste stream at the time of pumping only, but not all the nitrates. Nitrates are the result of biological processes associated with the daily use of a septic system.

More information: Septic systems are designed to reduce pollution by treating the solids, pathogens, organics, and total nitrogen (including ammonium) in the waste stream before it is discharged to the soil to your leach field. Pathogen removal occurs after disposal to the

soil by filtering through a minimum four to five feet of unsaturated soil. Given the poor soils and high groundwater table in Los Olivos, soil is often saturated, thereby diminishing pathogen removal. By design, bacteria consume organic nitrogen and break it down to ammonium in the septic tank. The oxygen in the leach field soils converts the ammonium into nitrates, called nitrification. Wastewater treated by a properly functioning septic system generally contains significant amounts of nitrates, with approximately 30% of the total nitrogen removed. After leaving a properly functioning drainfield, nitrified effluent flows into and through surrounding soil. What happens to nitrates in soil is highly variable. It may be used by plants, flow to ground or surface water, or be consumed by bacteria. The amount of nitrate removed after leaving the drainfield varies between depending on site and soil conditions, and proximity to groundwater. Given the high groundwater table in the Los Olivos area, much of the septic wastewater with ammonium and nitrates infiltrates directly into the shallow groundwater table where it no longer breakdowns into other forms of nitrogen. It's common to see concentrated levels of nitrate as nitrogen in shallow groundwater when there is a concentration of septic systems all discharging within a small footprint (i.e. less than 2.5 acres). These conditions cause environmental pollution and potential health problems when the water is used as a drinking water source. Importantly, shallow groundwater in the Los Olivos area is not used by the public water purveyor (Santa Ynez Water District, ID No.1) that serves local potable drinking water supplies, and all potable water supplies provided by ID No.1 are well below the drinking water MCL for nitrate.

Q: Do you have a simple description of how a septic system works?
A: Yes. Follow this link to an animated, interactive model of how a household septic system works (created by the Guadalupe-Blanco River Authority).
https://www.gbra.org/presentations/septic/index.html

Q: If the Special Problems Area (SPA) went away, would we still have to build a sewer?
A: The answer to this is not straight-forward. The SPA designation was not originally established solely due to sewage and groundwater issues. If the sewage portion of the designation were removed, parcels in the SPA would still have to do something as most are not large enough for traditional septic systems as they do not conform to regulatory minimum size standards (the parcels are less than 2.5 acres). Further, many parcels do not have sufficient space to meet current leach line requirements. Exact requirements for potential solutions would be up to the County of Santa Barbara and the Central Coast Regional Water Quality Control Board (CCRWQCB). Both the County and CCRWQCB have made it clear that "doing nothing" is not an option. Importantly, the CCRWQCB has the authority to enforce compliance, including cease and desist orders coupled with fines to

individual property owners.
See CCRWQCB No Project Memo, LAMP, SPA map

Q: What are the potential consequences for Los Olivos property owners and residents if they do nothing about the wastewater issue? What agencies could be involved and what are their authorities if they determine Los Olivos is out of compliance with nitrate standards?
A: Santa Barbara County and the Central Coast Regional Water Quality Control Board (CCRWQCB) have regulatory authority over septic systems and wastewater discharges in Los Olivos. They both have options available to them. Both have maintained dialogue with the LOCSD and the community and are supportive of a locally selected solution. However, the County and CCRWQCB have both made it clear that the District must make measurable and certain progress towards a solution. Should the LOCSD not develop a timely solution, existing regulations will be enforced. As noted, this could include cease and desist orders related to septic system discharges and fines to individual property owners, as well as the County stepping in to continue the remedial efforts including a sewer system with costs assessed on the properties within the District.
See CCRWQCB No Project Memo, LAMP

THE DISTRICT: WHAT IS IT AND WHAT CAN IT DO

Q: When and why was the LOCSD formed?
A: The LOCSD was formed in 2018 following a vote by residents of the District. The primary reason for formation was to ensure local control in decisions regarding wastewater in the Los Olivos community. Approximately 73% of those who cast a vote in the election supported the establishment of the LOCSD.

Q: Why form a district at all?
A: The Los Olivos area has been designated a Special Problems Area (SPA) by the County since 1974 due to various reasons, which include septic system density and a shallow groundwater table. In the early 2000s, the County of Santa Barbara began to examine the sewer discharge problem more closely. Many Los Olivos property owners felt their voices were not being heard and were concerned the County could implement a solution that locals did not want. Beginning around 2015, a group of volunteers in the community formed a CSD formation committee and ultimately worked through the formation process so that property owners within the boundaries of the LOCSD would have the largest input to determine the solution that worked best for the community.
See SPA map, LOCSD map

Q: What authority does the LOCSD have?
A: The LOCSD was formed via a community vote and currently has authority over decision

making that falls within regulatory authority held by the CCRWQCB and County of Santa Barbara. This includes detail decision making regarding design, construction, and operations of a wastewater solution. It does not have the authority to change the regulations for wastewater within the District.

Q: How many lots are in the LOCSD?
A: The number of lots varies year-to-year as lots are occasionally subdivided or joined together. As of 2026, the LOCSD is made up of 383 lots and covers just over 257 acres of land. The majority of lots are zoned or used for residential purposes.
See Map of the District

Q: My septic tank is working just fine, why am I in the LOCSD?
A: The LOCSD boundaries were determined through a collaboration between the regulatory agencies, LAFCO and the volunteer CSD formation committee, with community input. If your lot is less than 2.5 acres, a traditional septic tank is no longer an appropriate wastewater processing and disposal approach. Further, many of the smaller lots and homes built before current regulations were established use seepage pits or drywells. This combination of smaller lots coupled with pits/drywells is directly contributing to the high concentrations of nitrates and would not be allowed to be built today. So, while your current septic tank may be working fine from your perspective, it is contributing to the nitrate concentrations seen in our testing.
See groundwater testing, nitrates, map of the District, LAMP

ALTERNATIVE CONSIDERED: ON-SITE SYSTEMS AND SMALLER SOLUTIONS

Q: Why can't we all just use an advanced on-site system?
A: Advanced on-site systems, referred to in the LAMP as system with supplemental treatment, coupled with properly sized dispersal field can be an effective solution in reducing nitrates. However, many small residential and commercial lots are not big enough to host a dispersal field that meets LAMP requirements. Additionally, advanced on-site systems are unlikely to meet nitrate targets found in the Basin Plan.
See Basin plans, nitrates, map of the District, LAMP

Q: How large of a parcel must I have to use an advanced on-site system?
A: The LAMP does not specify a minimum parcel size for an advanced on-site system. Permits to use an advanced on-site system are issued through a ministerial process by the County of Santa Barbara. It is important to note that many of the parcels, both residential and commercially zoned, within the LOCSD boundaries are probably not large enough to support the use of an advanced on-site system, particularly given system and leach line setback requirements in the LAMP.
See Map of the District, LAMP

More information: The District currently has 383 parcels. Of those parcels, 243 are less than .5 acres with 136 of those being less than .25 acres. It is these "smaller" lots that may struggle to install an advanced on-site system and a LAMP compliant leach field.
Locally, we do not use the language outlined in the LAMP. Instead, we have created our own set of terms to describe our septic systems and various alternatives. For example, what we typically put into the category of "septic system" the LAMP regularly refers to as "Onsite Wastewater Treatment Systems (OWTS)." Sometimes we refer to these same, historically installed, passive systems as "traditional septic systems" or just "septic systems." What we describe as "advanced on-site systems" the LAMP puts under the category of "supplemental treatment."

Q: How much is an advanced on-site system?
A: The costs for an advanced on-site system vary by lot, use, and size. In 2024, the County of Santa Barbara previously estimated a typical range of $40,000-$70,000. Recent estimates to replace an existing septic tank and its associated dispersal field with a County approved advanced on-site system and a LAMP compliant dispersal field have exceeded $100,000 for residential uses. System type, general site condition, existing landscaping, electrical availability, and depth to groundwater can be major factors in the overall costs related to replacing an existing septic system with an advanced on-site system. Some individuals have described lower estimates for traditional septic system tank replacement with an advanced on-site system tank, in the range $40,000-$50,000 including installation. The higher estimate includes comprehensive costs including plans, permitting, removal/abandonment of existing septic system, new and/or redundant leach fields, electrical power components needed, proving and calibrating the treatment features, restoration of yard, and other miscellaneous costs not always included in lower cost, tank-only replacement estimates.

Q: Can I put an advanced on-site system lien on my parcel?
A: No. If you install an advanced on-site system, you will need to either pay for it when it is installed or finance it in some other manner (often a home equity loan or increased loan against your parcel).

Q: What are the on-going maintenance costs associated with advanced on-site systems in Santa Barbara County?
A: In addition to annual permitting, each property owner is required to have a system maintenance contract. Depending on the system and maintenance contractor, costs were estimated to be in the $1,500-$1,900 per year range for a typical residence in 2024.

Q: If three wells are below maximum allowed drinking water levels (MCL) for nitrates, why not just put the lots near the high testing wells on a sewer?

A: The Local Area Management Plan (LAMP) states that the majority of lots in the District should not be using traditional septic tanks of any type, regardless of nitrate levels. A few lots within the District may exceed the minimum lot size requirement of 2.5 acres for a traditional septic system, but they are part of the SPA and surrounded or bordered by lots that must stop using a septic system. The District's wells are geographically dispersed throughout the District and we do not have a map or the data that shows nitrate levels on a parcel-by-parcel basis.

See SPA map, LOCSD map with lot sizes

Q: Why not just put a sewer in for the commercial lots of Los Olivos?

A: Commercial lots are not the only ones contributing to the elevated nitrate levels found within the District. The majority of the lots within the LOCSD do not meet minimum lot size standards for the use of traditional septic systems. When coupled the high-water table, poor percolation of soils, and density of undersized lots it becomes clearer that a solution that can serve the entire District will more effectively protect groundwater.

See LOCSD map with lot sizes, SPA map

Q: Is the District legally required by any regulator to build a district-wide sewer, or could a smaller, targeted project satisfy regulatory concerns?

A: Neither the CCRWQCB nor the County of Santa Barbara has dictated a specific solution or manner of compliance. Both have noted that they will support locally developed solutions that addresses the problem, including our current approach of sending wastewater to the City of Solvang for treatment and disposal. Further, while the CCRWQCB is supportive of a locally developed solution, they do maintain enforcement authority regarding systems that are out of compliance. Failure of locally supported solutions that continue to impair groundwater aquifers can expose individual homeowners to significant regulatory and financial consequences, including mandatory system monitoring and upgrades, prohibitions of septic discharges and direct enforcement action such as cease-and-desist, cleanup and abatement orders, and monetary penalties.

See CCRWQCB No Project Memo

ALTERNATIVES CONSIDERED: LOCAL TREATMENT

Q: What different wastewater treatment options did the LOCSD evaluate?

A: The LOCSD evaluated local membrane bioreactor systems (MBR) from companies such as Cloacina, a relatively local vendor. These systems are small, complete treatment systems (fits on one or two semi-trailer trucks), and are used in many jurisdictions, including Avila Beach. While MBR treatment is a feasible approach, the costs for construction and on-going operations and maintenance were found to be higher than connecting to the City of Solvang.

The LOCSD also evaluated packaged and dispersed solutions such as Orenco's AdvanTex AX-Max treatment system. These systems are similar to those used to treat some of the wastewater at Dunn School. Orenco representatives agreed that such systems were not appropriate given the volumes of wastewater and level of treatment that would need to be processed by the LOCSD.

The District also looked at several other technologies for treatment and disposal of wastewater such as passive treatment. Many of these potential solutions were discarded due to the amount of vacant land required to process LOCSD wastewater flows (the amount of waste we produce on a daily basis).

Q: How did the LOCSD determine the costs and benefits associated with each treatment and disposal method considered?

A: Costs for treatment solutions were provided by the manufacturers of each system. Third-party engineering firms, such as Stantec and Wallace & Associates, were hired by the District to identify additional operational equipment requirements, the amount of land required to support each solution, and so on. At its regular meetings throughout early 2025, the Board discussed the trade-offs and costs of several solutions. Public workshops were also held. After the workshops and careful consideration, the Board decided that using the City of Solvang for treatment and disposal was the most cost-effective and created the least liabilities for properties in the District. Solvang treatment also met the criteria expressed by the majority of property owners (cost, growth, local control). Key to the Board's decision was that STEP-based solutions were found to be more expensive over a 30-year period than gravity collection, primarily due to the need to replace, maintain, and operate STEP tanks.

Q: Couldn't we site a treatment facility within Los Olivos?

A: A complete treatment and disposal solution that does not leverage the City of Solvang was found to be the costliest and required over five acres. There are no vacant parcels near this size within District boundaries. Of those that are close, none of the property owners were interested having their parcel host a treatment plant. Additionally, neighboring property owners expressed concerns that siting a treatment plant would have resulted in smells and impacts to visual sightlines wherever a treatment plant was located. Very importantly, constructing and maintaining our own treatment plant and related facilities was found to be the most expensive of all the considered approaches.

More information: There are several reasons for not pursuing a local treatment and disposal option. Among these include construction costs, availability of land to site a treatment facility (or facilities), ongoing maintenance and operations costs including District employees, increased risk of liability exposure, high risk for the community should the regulations about treatment and disposal change and the uncertainty and expense of

staffing a plant.
See Cost comparisons

Q: Why not build our own local treatment facility?
A: The District thoroughly evaluated building and maintaining a local treatment facility. In addition to a lack of sites large enough to house a treatment plant and disposal field, construction costs would have far exceeded the pipeline to the City of Solvang approach. Note that while a treatment facility (or treatment facilities) could likely be placed on a parcel that is less than two acres, the size of a disposal field solution was nearly five acres for the most cost-effective approach. There were also significant liabilities and staff concerns related to operating our own plant.
See Cost comparisons between systems

Q: Was siting the wastewater treatment facility at the Dunn School fully vetted? Wouldn't Dunn School be a better option, transporting wastewater less than 2 miles rather than the 3.5 miles to Solvang?
A: Dunn School was seriously considered. While negotiations were never completed, Dunn School would likely have been a more cost-effective solution than building a treatment and disposal within the District. However, a Dunn School solution was still more expensive than connecting to the City of Solvang for treatment and disposal. Additionally, building a plant at Dunn School still came with the considerable liabilities related to operating and maintaining our own treatment plant and disposal solution.

Q: How technically challenging and costly would it be for the LOCSD to operate a wastewater treatment facility of its own?
A: Board members and staff spoke to many wastewater treatment plant operators and firms. They were consistent in their commentary that if you don't have to operate a plant, you are better off. Most polled strongly advised the community to avoid owning and operating a wastewater treatment plant. Instead, they suggested a regional solution such as connecting to the City of Solvang. One of the key items they pointed out was the ability to staff a treatment plant. Given the semi-remote location of Los Olivos, finding and keeping qualified operators is expected to be very difficult. They added, even if you can hire someone, after training and establishment in the area, they will often move on quickly to a larger plant where they can make more money. In addition, they pointed out that future upgrades will be born entirely by the property owners within the District as opposed to sharing the costs with the City of Solvang and Santa Ynez.
More information: Several smaller districts and cities are shifting away from owning and maintaining their own plants. For example, the Montecito Sanitary District is discussing a regional solution by sending their wastewater to Santa Barbara rather than upgrading their aging plant.

Q: Wasn't the LOCSD created to find a local solution and isn't transporting wastewater to City of Solvang a regional rather than a local solution?

A: The LOCSD was created to have local control over a solution. It was not created to find a solution that would strictly be built within the District's boundaries. Early designs attempted to find locations where a treatment plant could be located within the District's boundaries. In each case, either the owner of the targeted parcel or their neighbors raised significant objections to placing a treatment plant on the parcel.

Connecting to the City of Solvang is a regional solution that eliminates the need to build a plant in Los Olivos, while still maintaining local control over what happens within the District. Connecting to the City also means that costs for treatment and disposal will be shared by Los Olivos, Santa Ynez, and the City of Solvang. Los Olivos will pay only for the amount of wastewater it sends to Solvang. Importantly, the County of Santa Barbara has agreed that the LOCSD will have the authority to issue "can and will serve" letters for specific future construction projects.

Q: Why was the City of Solvang selected for treatment and disposal?

A: The LOCSD examined local treatment, including at Dunn School, as well as dispersed and passive treatment solutions. The Board of Directors weighed the construction costs, potential liabilities, ongoing maintenance and operation costs and risks, and various desires of the community and decided that sending wastewater to the City of Solvang was the best choice in both the short and long term.

See Cost comparisons

THE PROPOSED SOLUTION: COLLECTION AND CONVEYANCE

Q: What kinds of collection systems did the District evaluate?

A: The LOCSD considered both gravity and effluent (STEP) collection. Despite the many advantages of STEP, third-party cost evaluations showed that gravity was cheaper for Los Olivos residential properties over a 30-year lifespan.

See Wallace Group cost comparisons

Q: What is an effluent (STEP) collection system and wouldn't it be cheaper than collecting all the waste in the shared community system?

A: Septic Tank Effluent Pumping (STEP) is a low-pressure collection system fed by individual effluent pumps located on each parcel. STEP does not eliminate a shared community wastewater treatment solution. Instead, STEP collection sends the effluent (liquids, no solids) off, under pressure, to be treated. Unlike gravity, STEP has the distinct benefit as it performs the initial solids separation before sending the remaining effluent (liquids) off for treatment and disposal. Solids are collected in each private parcel's tank, similar to your existing septic tank, and pumped on a periodic basis. STEP has an

advantage over traditional gravity systems because the effluent leaves each parcel under pressure. This means that collection lines can follow the contour of the land and generally do not have to be as deep as gravity collection lines.

Q: I thought the cost models showed that STEP was cheaper. Isn't it?

A: While the construction costs related to a STEP-based collection system are lower for the District, long-term costs are higher for residential property owners. In the District's total cost of ownership, STEP-based collection was found to be more expensive over a 30-year period than gravity collection.

See Wallace Group cost comparisons

Q: How many pump and lift stations will be needed to transport the wastewater to City of Solvang?

A: As of September 2026, the District is focused on gravity collection and gravity conveyance to the City of Solvang. This solution appears to be technically feasible and acceptable to the County of Santa Barbara. Designs are still being developed, but gravity collection and conveyance may eliminate some or all pump and lift stations.

More information: There is still a chance we will be required to build a lift station if the City of Solvang requires an equalization tank as part of our solution. An equalization tank is a specialized piece in the processing of wastewater because it helps to balance flows and loads. Flows (the amount of wastewater) can surge in the collection and treatment of wastewater due to rainstorms, holidays, and other changes in daily usage patterns. Loads (what is in the flowing wastewater) can also change due to what is occurring in the community and the time of day. The City has a strong preference for the LOCSD to build and install an equalization tank and has asked us to examine the trade-offs in more detail. At this time, we think an equalization tank is not needed due to the lag in time it will take for LOCSD wastewater to travel the roughly 3.5 miles before it enters the City's wastewater infrastructure. However, as discussions continue, it may be found that a tank is needed. If one is required, it would likely be placed at the "bottom" of the conveyance line system in the City, near Sunny Field Park.

Q: How much wastewater (effluent) will be collected and sent to the City of Solvang for processing?

A: The District estimates average flows will be around 120,000 gallons per day, less than 10% of the capacity for the City of Solvang's treatment facility. Remember that the City of Solvang's wastewater treatment plant capacity is 1.5 million gallons per day.

See basis of design documents

THE PROPOSED SOLUTION: TREATMENT AND DISPOSAL AT THE CITY OF SOLVANG

Q: How was the capacity of the City of Solvang's plant to accept and treat the wastewater from Los Olivos confirmed?

A: The City of Solvang's sequencing batch reactor (SBR) treatment plant is rated to process 1.5 million gallons per day of average dry weather flow. Per City engineers and consultants, it currently processes between 700-800 thousand gallons per day (approximately one-half its rated capacity).

Q: Has the District completed its negotiations with the City of Solvang?

A: No. Decisions regarding how wastewater will flow (gravity or pressurized), the need for an equalization tank, and other key pieces need to be decided upon before negotiations can be completed.

More information: One important fact to keep in mind is that the City can only charge the District its actual costs for processing wastewater. Meaning, the City cannot make a profit via its charges to the LOCSD and its property owners. This fact changes the dynamics of negotiations since the LOCSD cannot be overcharged by law.

Q: What technical capacity and expertise does the City of Solvang wastewater treatment have that the District does not have or could not acquire with consultants?

A: The City has been operating its current wastewater treatment facility for over 30 years. The skillsets they employ could be hired directly or through consultants. However, keep in mind that as a small system, we are likely to struggle to hire and keep qualified wastewater treatment operators.

Q: Where does the City of Solvang discharge its wastewater and what standards apply?

A: The City uses percolation ponds located adjacent to the plant to discharge treated wastewater. Contrary to popular belief, the City does not discharge directly into the Santa Ynez River or a surface water body. It follows standards similar to the ones Los Olivos would be required to follow if we built and operated our own plant.

See https://cityofsolvang.com/165/Wastewater-Division

More information: Discharges to land that could affect groundwater are regulated by the CCRWQCB. Solvang's permit is a groundwater-discharge permit, not a classic MCL-based drinking water permit — which is why regulators have been layering in more stringent nitrogen/ammonia limits used to protect the Basin Plan's groundwater objective for the receiving basin.

Q: Is the City of Solvang exceeding its nitrate compliance levels? Wouldn't ratepayers be spending a lot of money to simply transfer the Los Olivos nitrate problem to Solvang, making theirs worse and not really improving water quality?

A: The City of Solvang is within their nitrogen limits. Historically, their annual average is less than 10 mg/L of total nitrogen although currently they exceed the newest permit limit

by one or two milligrams on a 25-month rolling median (annual average vs. rolling median). Accepting Los Olivos' wastewater is not expected to elevate total nitrogen concentrations from the City of Solvang's current or future wastewater treatment plant. Solvang considers itself a regional wastewater treatment plant and would not accept wastewater that would put them out of compliance.

More information: Remember that drinking water MCLs (10 mg/L) are for potable drinking water and water quality objectives as stated in the Basin Plan (1 mg/L) are for the basin. While both are legally enforceable. The LOCSD and City of Solvang wastewater treatment solutions are focused on discharge contents, not drinking water MCLs.

Q: What percentage would Los Olivos' wastewater contribution be to the City of Solvang, and would Los Olivos residents pay that percentage of the ongoing operations costs?

A: Los Olivos will be approximately 10% of the total treatment capacity for the City of Solvang's facilities. Los Olivos will pay for its fair share of operations and future capital improvement costs.

WATER AND GROUNDWATER

Q: Where does Los Olivos get its drinking water from and why are our nitrate numbers a problem?

A: Los Olivos gets its potable drinking water from ID No. 1 - the Santa Ynez River Water Conservation District. ID No.1 is a public water system regulated by the State Division of Drinking Water. ID No.1 uses several sources of supply to provide potable water service to its customers, including water from the Santa Ynez River alluvium, State Water Project supplies, and deep groundwater wells that typically draw from over 500 to 1000 feet below ground surface. Notably, ID No.1 does not use shallow groundwater in the Los Olivos area as part of its drinking water supplies, and all potable water provided by ID No.1 meets all applicable state and federal drinking water standards. Specifically, all water supplies provided by ID No.1 are well below the 10 mg/L drinking water MCL for nitrate.

See https://www.syrwd.org/files/1414239e8/2025-Annual-WQ-Report-Final.pdf

Q: How do the sources of Los Olivos' drinking water compare to the City of Solvang?

A: ID No. 1 and the City use similar approaches to provide potable drinking water. Both use water from the State water project and local well water sources. The City maintains its own wells which are primarily in and around the City of Solvang, whereas ID No. 1 maintains wells throughout its service territory. Both ID No. 1 and the City regularly test their water and provide publicly available reports on its contents.

See ID No. 1 and City of Solvang drinking water test results pages

Q: What percentage of water used in Los Olivos becomes wastewater?

A: We do not know the exact percentage of water that becomes wastewater as it varies by

parcel, season and use. Based on seasonal water usage data, we know that a large percentage of the water used within Los Olivos is placed on landscaping (lawns, trees, and plants).

Q: Do our septic tanks recharge the local groundwater basin?

A: Yes. The entirety of the Santa Ynez Valley (from Lake Cachuma to Lompoc along the Santa Ynez River) is part of a single groundwater basin, regularly referred to as the Santa Ynez River Valley Basin. There are five groundwater sub-basins within the Santa Ynez River Valley groundwater basin named (from east to west): Headwater, Santa Ynez, Buellton, Santa Rita and Lompoc. Septic system discharges from Los Olivos and discharges from the City of Solvang's treatment plant both recharge the same groundwater basin but separate sub-basins.

More information: The Sustainable Groundwater Management Act (SGMA) was enacted in 2015 and created a new framework for groundwater management. From a SGMA management perspective the Santa Ynez River Valley groundwater basin is divided into and managed in three parts. The area north and west of Lake Cachuma through the City of Solvang, including Los Olivos, is all part of the Eastern Management Area.

See Basin plans and maps

Q: Doesn't sending our wastewater to the City of Solvang result in depleting our groundwater basin?

A: Both the City of Solvang and Los Olivos are part of the same Santa Ynez River Valley groundwater basin, so there is no export or transport of water outside of that basin if the LOCSD connects to the City for treatment and disposal.

See Basin plans and maps

GROWTH AND COMMUNITY CHARACTER

Q: Residents value the rural, small-town character of Los Olivos. The Special Problems Areas (SPA) designation has helped to keep it small by limiting growth and development, so isn't it preferable not to build a better sewer treatment system to keep Los Olivos the way it is?

A: The LOCSD Board of Directors and staff all agree that the rural, small-town character of Los Olivos and the entire Santa Ynez Valley is worth protecting. Unfortunately, doing nothing is not a solution that will satisfy the regulators. And, as we have seen with Mattei's Tavern and the upcoming Fess Parker Inn - Grand Hotel expansions, not having a community sewer treatment solution is not necessarily a deterrent to growth. Both projects have been completed or will proceed with or without a community treatment solution.

See Community Plan, CCRWQCB No Project Memo

More information: Within the District, once a community solution is implemented, the

District will have control through a “can and will serve” process. This process, which does not exist today, will require any new construction to obtain a “can and will serve letter” from the District stating that it has the ability to serve the new construction with sewer service. As has been seen with recent and proposed construction projects, the County currently issues permits without such a process.

Q: Recognizing that development can follow infrastructure improvements, the Santa Ynez Valley Community Plan discourages construction of a wastewater pipe down Alamo Pintado. Isn’t the proposed wastewater treatment and collection option a violation of the Community Plan?

A: The LOCSD proposed solution is not a violation of the Community Plan. Instead, the Valley Plan says any plan such as the one we are proposing should be carefully considered. Policies in the Community Plan speak directly to the need to protect the environment and public health as key considerations when it comes to wastewater treatment for Los Olivos. Testing consistently shows that shallow groundwater table below Los Olivos exceed drinking water MCL.

See Community Plan

More information: It is true that development often follows infrastructure. While the existence of wastewater treatment infrastructure is important, hard infrastructure such as roads, bridges, drainage, and energy (power) are typically considered essential, followed closely by social infrastructure such as schools and health care, and economic driving infrastructure such as broadband access. This has been the case for much of rural California, where, like Los Olivos, septic systems have been the primary treatment solution.

More information: The SY Community Plan spends a lot of time talking about the growth throughout the Santa Ynez Valley. It also has commentary regarding what should or should not be done. Regarding a wastewater solution going from Los Olivos to the City of Solvang, there are three Goal or Policy statements that are applicable. They include:

> Section 4. WASTEWATER GOALS, POLICIES, ACTIONS AND DEVELOPMENT STANDARDS
> GOAL WW-SYV: Ensure adequate wastewater treatment and disposal throughout the planning area.
> Policy WW-SYV-1: Development and infrastructure shall achieve a high level of wastewater treatment, in order to best serve the public health and welfare.
> Policy WW-SYV-3: Annexation of inner-rural and rural area(s) to a sanitary district or extensions of sewer lines into inner-rural and rural area(s) as defined on the land use plan maps shall not be permitted unless required to prevent adverse impacts on an environmentally sensitive habitat or to protect public health.

Regarding WW-SYV-3, our shallow groundwater testing demonstrate that we are past the point of simple prevention since nitrates are exceeding drinking water MCLs, thereby

creating a potential public health issue. Remember that all drinking water (potable water) supplied by ID No. 1 is well below the 10 mg/L drinking water MCL for nitrate

Q: How can the District discourage growth within Los Olivos and along the proposed wastewater pipeline?

A: Within the District, once a community solution is implemented, the District will have control through a "can and will serve" process. This process, which does not exist today, will require any new construction to obtain a "can and will serve letter" from the District stating that it has the ability to serve the new construction with sewer service. As has been seen with recent and proposed construction projects, the County currently issues permits without such a process.

Outside of the District, there is no inherent "right" to connect to the conveyance pipeline by parcels along the Alamo Pintado corridor. Meaning, just because the pipeline travels down Alamo Pintado to Solvang, parcels along the road cannot simply connect to the pipe for their own uses. The LOCSD is sizing the pipe to support LOCSD flows and not including excess pipe capacity to support others outside of the current District boundaries. Finally, the LOCSD is only negotiating with the City of Solvang for wastewater processing capacity of its calculated build-out flows and not any "extra" capacity.

See basis of design documents

Q: Has the "can and will serve" process been adopted yet?

A: No. The LOCSD Board of Directors will address this process after a successful property owner (Proposition 218) vote.

Q: How can the District discourage growth along the proposed wastewater pipeline corridor (Alamo Pintado Road)?

A: The District controls who can connect in the future, and the proposed infrastructure has been sized for the current parcels in the District. Legal counsel for both the County and the LOCSD have confirmed that no outside entity can force the LOCSD to allow parcels along the Alamo Pintado corridor to connect to the LOCSD owned conveyance pipeline. The LOCSD Board of Directors will continue to maintain local control over the pipeline.

Q: Is there anything else that the community could do to prevent expanding the LOCSD boundaries to serve other areas like Ballard or stop parcels along Alamo Pintado from connecting to the LOCSD sewer main?

A: Perhaps. It has been suggested that as part of its Proposition 218 vote or some other locally voted on measure, the District may be able to include a statement that requires a new vote of property owners (or registered voters) to allow additional connections. This would effectively take the authority to grant access away from the elected LOCSD Board of Directors and reserve it for property owners (or registered voters).

Q: Isn't the option of doing nothing better than doing something that encourages growth and changes the rural character of the Valley?

A: Doing nothing is not an option. And, even if it were, there is already significant growth occurring in the valley and within Los Olivos. Two major examples within Los Olivos are Mattei's Tavern and the Fess Parker Inn – Grand Hotel. Long term residents have also noted the new structures along Grand Avenue and San Marcos Avenue in the downtown corridor, food trucks and live music on weekends, as well as the in-fill housing that has been built over the past twenty or so years.

See CCRWQCB No Project Memo, LAMP

COSTS AND FINANCING

Q: How much will the system cost?

A: The Wallace Group has provided preliminary estimates with a range of $42.8m-$59.6m (with a baseline of $51.1m) for the entire system. Those estimates are based on a 30% design and did not fully consider the possibility of gravity conveyance to the City of Solvang. While the pipes for a gravity conveyance are more expensive than pumped conveyance, gravity can eliminate pump/lift stations and other equipment. Eliminating pump/lift stations will result in significant savings during construction and with on-going maintenance costs. Cost estimates, based on a 60% design are expected in early 2027.

See Wallace Group cost comparisons

Q: How is each property owner's cost for construction determined?

A: Each property owner's cost (assessment) is based on the proportional and specific benefit each parcel receives. An independent engineer calculates this benefit using factors such as lot size, use, connection type, and zoning. This is why working to develop as-accurate as-possible cost estimates is important.

Q: How will costs be allocated across the District, meaning what factors (fixed and variable) will be used for the assessment?

A: The Board has not determined the factors or methodology to be used in the assessment engineering calculations. In past discussions, the Board has focused on using factors such as lot size, use, connection type, and/or zoning. A presentation highlighting approaches and options is planned for November 2026. A workshop on assessment engineering is planned for early 2027.

Q: Who has final say over which factors are chosen?

A: Based on District property owner input, the Board of Directors will determine the specific factors based on expert advice to assure the considerations comply with Proposition 218. The Assessment Engineer will then make calculations based on each

parcel's unique characteristics. Property owners will then vote, via the Proposition 218 process, on whether costs assigned to their parcel are acceptable.

Q: Has the District hired an Assessment Engineer yet?
A: Yes. The District hired SCI Consulting Group in September 2026.

Q: How will we pay for this?
A: Each property owner's proportional construction costs will be spread over 30-40 years, and an assessment will be billed annually on their property tax statement.

Q: What is the plan for financing the construction (low-cost loans, bonds)?
A: The District's Board of Directors has not made a decision on this yet. Both loans and bonds have their own pros and cons. Prior to making a decision, the Board of Directors will discuss the options and get input from the community.

Q: What grant and low-interest financing sources has the district explored and how much has been secured versus applied for?
A: The District is actively pursuing grants, USDA loans and other outside funding opportunities to help reduce the costs for property owners where possible. Los Olivos is not considered a disadvantaged community which limits the grant programs available. Most recently the District was authorized for a congressional $30M grant through Congressman Salud Carbajal's office as part of the bi-partisan bill, the Water Resources Development Act (WRDA) of 2026.
More information: While the WRDA funds have been authorized by the House and are being considered by the Senate, the grant has not received funding yet. Funding for WRDA projects like ours sometimes come in small sub-grants over time, often in $3-5million increments.
See WRDA announcement

Q: Is anything being done to help support the lowest income property owners in our District? If so, what?
A: The District is monitoring programs, grants and other options to assist property owners on fixed or lower incomes. Because we do not know exactly when construction will start, it is premature to target specific programs since they may no longer be available when construction starts.

Q: Will the District pay to connect to the City of Solvang?
A: Yes. Just as an individual homeowner would pay to connect to an existing utility, the District will pay to connect to the City's wastewater treatment infrastructure. Early estimates for the entire District to connect are just over $5 million. Individual property

owners will not pay a separate fee to connect; their charges will be part of the District's connection fee.

Q: Will I pay a fee to the LOCSD or the City of Solvang to connect to the sewer?
A: No. Your fee will be paid to the LOCSD. Part of the calculated construction costs will include a fee for the entire LOCSD to connect to the City. Each parcel's portion of the fee will be included in the overall construction costs. Therefore, each parcel will pay its connection fees over time through an annual assessment.

Q: If I built a new house in the City of Solvang or the Santa Ynez CSD, how much would I have to pay to connect to the City's treatment plant?
A: The best comparable for Los Olivos are current activities in Santa Ynez. The Santa Ynez CSD is in the process of adding small groups of residentially zoned parcels to their collection system. Each parcel is paying around $125,000 as a connection fee.

Q: How much will Los Olivos have to pay towards the upgrade of the Solvang Treatment Plant?
A: The current upgrade of the Solvang treatment plant will be completed prior to the LOCSD connecting to the plant. Negotiations between the LOCSD and the City will determine exactly what, if anything, Los Olivos pays toward the current upgrade efforts.

Q: How much will ongoing treatment operations and maintenance cost?
A: This will be negotiated with the City of Solvang based on the percentage of contracted capacity. The agreement is expected to be similar to what is currently in place between the Santa Ynez CSD and the City of Solvang. The District is using free consulting through the EPA to obtain estimates for operations and maintenance (O&M) rates which will be received by the District prior to the Proposition 218.

Q: What other operational costs will Los Olivos pay?
A: Operations and maintenance costs for collection and conveyance lines owned by the LOCSD will be the responsibility of District property owners. The capital construction costs may be paid by grants and low-interest infrastructure funding paid by District residents over the term of the infrastructure loans. Additionally, LOCSD parcels will pay a monthly fee similar to parcels in the City. This is the same approach which has been in place in Santa Ynez.
See SYCSD rates

Q: Are O&M rates separate from the Proposition 218 construction related vote and will there be a rate study and new vote?
A: Yes. O&M rates will be based on the City of Solvang's cost studies, coupled with a separate study completed by the District. The combined rate will be subject to a new

Proposition 218.
See SYCSD and City of Solvang sewer rates

Q: I thought I understood that a Proposition 218 vote is a benefit assessment vote process. Is it also used for operations and maintenance rate setting, and will the same weighting be used?

A: There are many voting approaches that can be pursued under Proposition 218 regulations. Benefit assessment and property related fees are just two of them. Assuming the LOCSD uses a benefit assessment Proposition 218 vote for construction, the weighted vote process described previously will be used. A property related fee Proposition 218 vote is often referred to as a protest vote because each parcel has just one vote and 50%+1 votes must be cast against the proposed rate in order for the vote to fail.
See LAOs Prop 218 guide

Q: When will I know what the District will be charging me for Operations and Maintenance (O&M)?

A: The District is still gathering cost information and is engaged with representatives from the EPA who are creating O&M estimates (monthly or annual sewer rates). We anticipate the representatives completing their work in the next few months. In the meantime, rates paid by residents and businesses in Santa Ynez are a good example of what Los Olivans will pay. You can see Santa Ynez CSD rates here:
https://www.sycsd.com/files/ab5ca543d/2027-2031+Final+Monthly+Wastewater+Rates.pdf

Q: I keep hearing terms such as special benefit, general benefit, and zones of benefit. What are these and why do I care?

A: These terms are semi-related and will be part of the discussion at the District's November 2026 workshop. If you are reading this FAQ after the workshop, you might want to watch the recording on the District's YouTube channel. There are legal definitions for each of these terms that require more definition than can be provided in this simple FAQ. However, summary definitions include:
Special benefit – is when there is a particular benefit to land and buildings (a parcel).
General benefit – is when there are benefits to the general community, not to a particular parcel.
Zone of benefit – is mostly a cost allocation that allocates costs to a zone of parcels, not to the entire community.

More information: As part of the Proposition 218 construction assessment process, the District will calculate the amount of special benefit landowners will receive from the sewer project, as well as the amount of general benefit. This step is needed because Proposition 218 allows the LOCSD to recoup from assessments only the proportionate share of cost to provide the special benefit. Note that while special and general benefits are distinct in

concept, in practice they can be difficult to distinguish.
As noted, zones of benefit are primarily a cost-allocation tool, not necessarily a way to reduce the cost of the underlying project. Zones of benefit can allocate costs differently among properties based on the benefit they receive, but it does not eliminate the need to build the core wastewater infrastructure needed to serve the community. While connections might potentially be phased, serving only the "highest-need" properties first does not necessarily produce proportional construction savings—particularly when the collection system must ultimately be designed and built to serve the entire District. Parcels connecting later in the community build-out may defer some individual connection costs, but they do not eliminate their share of the cost of the overall system.
See LAOs Prop 218 guide

ENVIRONMENTAL REVIEW

Q: Has the District hired an environmental review firm yet?
A: Yes, the District hired Padre and Associates in July of 2025.

Q: Does the District have to produce a full Environment Impact Review (EIR)? Isn't this expensive and time-consuming?
A: That has not been yet determined. A full EIR can often exceed a year in development and $1,000,000. The District's consultant will make a recommendation regarding the level of environmental review required. The District's consultant, Padre, currently believes a mitigated negative declaration (MND) may suffice for our project since the project mostly consists of digging up existing roadways, inserting new pipelines, and replacing the asphalt and soils removed during construction. The consultant will ultimately identify the recommended level of environmental review.
More information: A mitigated negative declaration (MND) is appropriate when a project may have significant environmental effects, but the impacts can be mitigated to a less-than-significant level. The overall process involves preparing an initial study to assess potential impacts, considering alternatives, and identifying mitigation measures to address the impacts.

Q: How far along is the firm in the environmental process?
A: Padre has performed some preliminary work based on the 30% design documents submitted by the Wallace Group. Padre is awaiting the decision regarding lift stations and conveyance approach before doing any more significant work on environmental documents.

Q: Will the District have to perform a NEPA evaluation in addition to an CEQA?
A: If the District accepts Federal funds, such as those that may be made available through the Water Resources Development Act (WRDA), it will have to perform a NEPA evaluation.

NEPA evaluation would likely be completed by the District's environmental consultant, Padre, at the same time they complete CEQA evaluations.

More information: The National Environmental Policy Act (NEPA), is a U.S. law that was enacted in 1970. It requires federal agencies or agencies using federal funding to assess the environmental impacts of projects before making decisions. The aim of NEPA is to ensure that environmental factors are considered in the planning and decision-making process. There are many areas where NEPA and CEQA overlap, so the added effort and cost of NEPA compliance is somewhat shared with the CEQA process. The LOCSD has asked Padre to provide a quote for completing the additional work necessary to meet the requirements of NEPA. The quote will be considered at the November 2026 Regular Meeting of the LOCSD Board of Directors.

VOTING, PROPOSITION 218, TIMELINE, AND PUBLIC PROCESS

Q: What tasks must be fulfilled before the community votes on the wastewater treatment system recommended by the LOCSD?

A: There are several important efforts already underway. These include getting to a more complete 60% and 90% design and cost estimates, environmental review, assessment engineering (the process that assigns costs to individual parcels), and a preliminary operations and maintenance rate study. In addition, the District is working on obtaining grants to fund planning and construction costs.

Q: How does a "Proposition 218 vote" differ from the election of the LOCSD Board Members?

A: Board members are elected by registered voters within the District by a simple majority approach. The candidates for the Board with the most votes are elected to fill a seat on the Board of Directors. Registered voters within the District may or may not be property owners, for example they may be renters.

A Proposition 218 vote is based on property owners' inputs, regardless of where they live or whether they are registered to vote.

More information: A Proposition 218 benefit assessment vote is weighted based on the calculated benefit to each parcel. The weighted votes are tallied, and if more votes are cast in favor of the proposed project than against, the Proposition 218 is said to have "Passed" and the project moves forward. Remember that the greater the calculated benefit, the higher amount the parcel will be paying towards construction.

A Proposition 218 property related fee vote is based on property owner votes where each property owner gets one vote regardless of the benefit received by their parcel. In this type of Proposition 218 vote, 50% plus one vote must vote against the measure to fail. For example, if the LOCSD was 380 parcels, 50% +1 would have to vote against the measure for it to "Fail." So, it would take 191 votes against the measure or it would pass.

More information: See FAQ related to Proposition 218 benefit assessments and rates, LAOs Prop 218 guide

Q: When will I get to vote on this?

A: The construction voting process, often referred to as a Proposition 218 vote, is being targeted for 2027. Assuming it passes, the vote on the actual monthly rates will take place later.

Q: Will Proposition 218 voters know the costs of the entire system before the vote takes place?

A: The District is working to obtain and assign construction costs as well as estimated operations and maintenance costs. We will provide property owners with both prior to the Proposition 218. The goal is to fairly represent what an estimated cost or assessment per parcel would be.

Q: Will the District be publishing a list of what everyone will be paying so I can see the differences?

A: Yes. The data will be made publicly available through the Proposition 218 process. Additionally, the Board of Directors has indicated that they would like to hold a workshop on the information once calculations are completed. No date for a workshop has been set, but the 2nd Quarter of 2027 is likely.

Q: What happens if the Proposition 218 vote fails?

A: Either the District reworks the proposed project and/or approach to assessments and attempts a new Proposition 218 vote, or the District disbands and the County of Santa Barbara picks up the project.

More information: Given commentary from the CCRWQCB, additional restrictions on any new construction or remodels within the District may be immediately implemented. Further, cease and desist orders, such as those issued to Los Osos, coupled with discharge fines are a possibility. Ultimately, if the District disbanded, the County would bring back a sewer solution to be voted on via a new Proposition 218 vote. It is highly likely that the new project will cover additional parcels and perhaps include Ballard. The County would not limit connections as can be done by the LOCSD. In addition, as has been stated by County representatives, the cost per parcel would be expected to be significantly higher than if the LOCSD were to construct and operate our proposed solution. Finally, the “can and will serve” process described elsewhere in these FAQs would not be implemented.

See CCRWQCB No Project Memo

Q: For the record, how many community meetings have occurred since the LOCSD was formed and how well have they been attended?

A: As of August 2026, since its formation in 2018 and not including subcommittee or

committee meetings, the District has held over 110 public meetings including monthly regular meetings, special meetings, community workshops, and other meetings.

Q: Why hasn't the District held a meeting regarding the POLO preliminary design?
A: The District did not commission the study and therefore did not provide input into its development and does not own its findings or results. The District has no contractual relationship with the Consultant and cannot hold the Consultant responsible for the content of the study. POLO owns the work product. At the LOCSD meeting in July 2026, a representative from POLO said they would hold a community meeting regarding the design in early August 2026. More recently, POLO representatives have stated they are moving their design forward to the next step. So, while the District has read the draft report, it has not provided any input to the contract under which the design was produced, the approaches being considered, or had any opportunity to directly query its authors on important considerations such as assumptions regarding flow levels, equipment used, pricing, and more. The POLO board is providing direction regarding these considerations to the contractor.

CONSTRUCTION AND WHAT HAPPENS AT YOUR PROPERTY

Q: If the vote passes, when will construction begin?
A: Assuming a successful Proposition 218 in 2027, construction will probably start in late 2028 or 2029. But, keep in mind there are a number of activities that must be completed between a Proposition 218 vote and the start of construction. For example, the design must be finalized, funding secured, bid processes need to take place, construction contractors hired, permits received, and more.

Q: How long will construction take?
A: It is estimated that all District construction will take less than two years.

Q: Two years sounds like a long time to have all of our streets torn up while sewer mains are being installed. Will everything be a mess that long?
A: No. Most likely, construction along the Alamo Pintado corridor would be completed first. Construction of key system supporting sewer mains along streets such as Santa Barbara, Grand, and Alamo Pintado avenues would follow or be completed simultaneously. Sewer mains along arterial streets such as Nojoqui, Gaviota, Olivet, San Marcos, and Park would likely follow. Construction times of pipes along each street block or segment will be days or weeks at the worst.

Q: Our roads are currently a mess. Is the District stopping the County from fixing them?
A: The District has asked the County to delay non-critical repairs and replacements until after our Proposition 218 and/or construction are completed. The County has rules

regarding construction along its rights-of-way that impact existing asphalt. The LOCSD does not want to be in the position of tearing up a newly paved road to install sewer mains. Further, delays in repaving by the County may result in cost savings to the overall construction project.

Q: I thought the City of Solvang was in the middle of an upgrade to their wastewater treatment plant. Can we connect to their plant before the upgrade is completed?
A: While we could connect before the upgrade is complete, the City's engineers have recommended that we wait until the construction is completed. Current plans show the upgrade completing around the 3rd Quarter of 2029. Note that our construction could begin before the upgrade is complete, we just wouldn't send wastewater to the City of Solvang before their construction finishes.

Q: Has the District considered a phased approach to construction—starting with the downtown core and small lots—rather than a single district-wide build-out?
A: Yes. While a district-wide project is likely, exact construction timelines have not been determined. Further, depending on funding availability, some areas in the District may be built (phased) later than others. It is safe to assume that the sewer mains along Alamo Pintado, Grand, and Santa Barbara will be part of early construction and that parcels along those corridors will be the first expected to connect to the system.
More information: Phasing could require future additional Proposition 218 vote(s), each one creating an element of risk toward non-compliance with regulatory mandates. Because we are attempting to obtain federal funding for portions of the project, and federal funds may require breaking the project into smaller construction packages, it may make sense to break the construction into pre-packaged "zones" of construction. Zones would likely consist of groups of parcels that could easily be connected as a package to existing mains such the one travelling down Santa Barbara Avenue. Federal funding comes with the requirement that funds spent immediately result in a usable system. So, while Federal funds could be used to connect "zones" within the District to existing mains, using the funds to construct the sewer mains is much more complicated.

Q: What happens to individual septic systems once the community collection and treatment system is built?
A: Most parcel owners will probably abandon their existing septic systems in place. Meaning, they will follow requirements that allow them to leave the tank where it is as opposed to digging it up and removing it. In many cases, abandoning in place could mean cleaning the tank, putting holes in the bottom of the tank so it no longer holds liquids and filling the tank with gravel or other approved materials to ensure it does not collapse over time.

Q: How much will it cost to abandon my tank and install a lateral from my house to the street where I will connect with the sewer main?

A: The Wallace Group has provided an average figure of $15,000 per parcel for constructing a lateral from the back of a lot to the street. The final amount will vary as each parcel is different.

See Wallace Group cost comparisons

OTHER IMPORTANT TOPICS

Q: Does Los Olivos have a Local Area Management Plan (LAMP)? Couldn't a Local LAMP be created with local rules instead of installing a community sewer system?

A: The LAMP is a county wide document produced by the County of Santa Barbara. It provides details on septic systems from what is acceptable to enforcement actions. The LAMP includes specific sections for SPAs like Los Olivos. The County has been a strong partner and has withheld full enforcement of the LAMP as the LOCSD works to develop a community solution. Should the LOCSD fail to produce a solution, the County and/or the CCRWQCB may take additional enforcement actions.

See LAMP, CCRWQCB No Project Memo

More information: When the community of Los Osos, in San Luis Obispo County, was unable to reach community agreement on a wastewater solution and pass an associated Proposition 218 measure, property owners were faced with potential fines and requirements to stop discharging waste. After a period of time, they would no longer be allowed to discharge wastewater from their sinks, drains, showers, or toilets through their existing septic systems or be faced with fines. The Los Osos CSD had its authority legally limited by the California State Legislature, which permanently stripped the district of its power to provide wastewater solutions. The County of San Luis Obispo then picked up the project and identified a solution. If a solution had not been found, this could have meant that properties could no longer use their septic systems, thereby effectively making the property unusable. The costs related to the County completing a sewer for the community of Los Osos were over five times the costs originally identified by the community.

See LAMP, CCRWQCB No Project Memo

Q: I've heard a lot about "Builders Remedy" what is this and how does it impact Los Olivos?

A: Builders Remedy was passed by the California Legislature in 1990 as an amendment to the Housing Accountability Act and requires counties and incorporated cities to have a compliant housing element and file periodic reports addressing affordable housing. If a county fails to have a compliant element and report it with the State, a developer can bypass certain local zoning rules to build affordable housing. Los Olivos is an unincorporated township; therefore, we are covered by the plan produced by the County of Santa Barbara which is in full compliance with the State and the Housing Accountability

Act. Part of the reason Builders Remedy has been in the local news is that the City of Solvang was unable to file its reports in a timely manner.