

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 14
HELD AT THE ANTELOPE VALLEY
TRANSIT AUTHORITY

June 8, 2023
11:30 o'clock, A.M.

The Board of Directors of County Sanitation District No. 14 of Los Angeles County met in regular session.

There were present: Laura Bettencourt, Director from Palmdale
Kathryn Barger, Alternate Director from Los Angeles County
Marvin Crist, Chairperson pro tem, Alternate Director from Lancaster

Absent: None

Also present: Denise Springer, Deputy Secretary to the Board
Brant Dveirin, District Counsel

RE: PUBLIC COMMENT

The Chairperson pro tem announced this was the time for any questions or comments by members of the public.

There were no public comments or questions to address the Board on any matters.

RE: MINUTES

Upon motion of Director Barger, duly seconded and unanimously carried, the minutes of the regular meeting

held May 11, 2023, were approved.

RE: DISTRICT EXPENSES

The following expenses for the month of March 2023, were presented and upon motion of Director Barger, duly

seconded and unanimously carried, were approved:

Local District Expenses:

Operations & Maintenance
Capital
Legal

\$1,062,376
162,944
4,834

Allocated Expenses:

Joint Administration
Technical Support
Legal

151,503
183,640
5,798

Total Expenses

\$1,571,095

RE: ANNEXATION NO. 442
RESOLUTIONS AUTHORIZING
APPLICATION TO LOCAL AGENCY
FORMATION COMMISSION AND
APPROVING NEGOTIATED
EXCHANGE OF PROPERTY
TAX REVENUES - ADOPT

Annexation No. 442 consists of 34 proposed single-family homes in the City of Lancaster. Each annexation to the District's service area requires adoption of two resolutions by the Board. The first resolution authorizes submittal of the annexation application to Local Agency Formation Commission (LAFCO), approves the California Environmental Quality Act (CEQA) document, and consents to a waiver of the LAFCO protest hearing.

The second resolution is a joint resolution with agencies that already provide services to the proposed annexation territory agreeing to the amount of property tax revenue that will be apportioned to the District in accordance with the Revenue and Taxation Code. A data sheet, map, Notice of Finding, and the CEQA documents were attached to the agenda. A recommendation was made that the Board adopt a resolution for making an application to LAFCO for annexation; review, consider, and find adequate the CEQA document for annexation and consent to a waiver of protest proceedings. Furthermore, a recommendation was made that the Board adopt a joint resolution with the County of Los Angeles, Antelope Valley Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Lancaster, and Antelope Valley-East Kern Water Agency approving and accepting the negotiated exchange of property tax revenues resulting from annexation.

The Chief Engineer and General Manager stated that this annexation is a standard annexation of single-family homes to the District.

Upon motion of Director Barger, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby approve the Joint Resolution of the Board of Supervisors of the County of Los Angeles, the governing bodies of the Antelope Valley Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Lancaster, and Antelope Valley-East Kern Water Agency, and this Board of Directors, approving and accepting the negotiated exchange of property tax revenues resulting from Annexation No. 442 to the District, a copy of which is on file at the Office of the District and by reference incorporated herein as though fully set forth; and the Chairperson and Secretary are authorized to execute the Joint Resolution on behalf of the District. Furthermore, the following resolution was adopted:

RESOLUTION

WHEREAS, the Board of Directors of County Sanitation District No. 14 of Los Angeles County, hereinafter referred to as "District", desires to commence proceedings for the annexation to District of certain territory, described in Exhibit "A", attached hereto and by reference incorporated as a part hereof; and

WHEREAS, said Board of Directors does hereby certify that it has reviewed and considered the environmental documents submitted for the proposed annexation and found said environmental documents to be adequate;

NOW, THEREFORE, said Board of Directors does HEREBY RESOLVE, FIND, AND DECLARE as follows:

1. Application and a proposal is hereby made to the Local Agency Formation Commission of Los Angeles County for a change of organization as follows:
 - (a) This proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with Section 56000, Government Code, State of California.
 - (b) The nature of the proposed change of organization and the name of the District for which such change of organization is proposed are as follows:

The annexation of the territory described in Exhibit "A" hereof to County Sanitation District No. 14 of Los Angeles County.
 - (c) The names of all other affected counties, Districts, or cities are as follows:

Counties: None
Districts: None
Cities: Lancaster and Palmdale
 - (d) The territory is uninhabited. A description of the exterior boundaries of such territory is set forth in Exhibit "A" hereof.
 - (e) It is desired that the proposed annexation provide for and be made subject to the following terms and conditions:
 - (1) The retention by District of the deposited sum of \$8,640.00 as the fee required by the Board of Directors for said annexation.
 - (2) The negotiated exchange of property tax revenues between affected agencies resulting from said annexation to District.
 - (f) The reasons for this proposal are as follows:
 - (1) The District is empowered to and is engaged in providing sewerage facilities which can best serve the territory proposed to be annexed with sewage disposal service. Based on the information provided by the property owners, the District's sewerage facilities have or, in accordance with current policy, will have adequate capacity to collect, treat, and dispose of the wastewater anticipated to be generated on the subject property. Actual sewer hook-up will not be allowed until payment of the connection fee and shall be

subject to all circumstances then existent including the availability of capacity. Disposal of the treated wastewater will be in accordance with waste discharge permits issued by the appropriate California Regional Water Quality Control Board.

- (2) Said territory is proposed to be developed, and the property owners have requested in writing that the territory be provided with sewage disposal service.
 - (3) Said territory must be annexed to District before sewage disposal service is provided.
 - (g) This proposal is consistent with the sphere of influence of the District.
 - (h) In accordance with the requirements of California Health & Safety Code Section 4830, the territory subject to this annexation will benefit from the annexation.
 - (i) It is hereby requested that proceedings be taken for the change of organization proposed, according to the terms and conditions stated above and in a manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
2. Said District consents to waiver of protest proceedings pursuant to Section 56663 of the Government Code.
3. The Clerk of the District is hereby authorized and directed to file a certified copy of this resolution with the Executive Officer of the Local Agency Formation Commission of Los Angeles County.

RE: ANNEXATION NO. 443
RESOLUTIONS AUTHORIZING
APPLICATION TO LOCAL AGENCY
FORMATION COMMISSION AND
APPROVING NEGOTIATED
EXCHANGE OF PROPERTY
TAX REVENUES - ADOPT

Annexation No. 443 consists of 108 proposed single-family homes in the City of Lancaster. Each annexation to the District's service area requires adoption of two resolutions by the Board. The first resolution authorizes submittal of the annexation application to Local Agency Formation Commission (LAFCO), approves the California Environmental Quality Act (CEQA) document, and consents to a waiver of the LAFCO protest hearing.

The second resolution is a joint resolution with agencies that already provide services to the proposed annexation territory agreeing to the amount of property tax revenue that will be apportioned to the District in accordance with the Revenue and Taxation Code. A data sheet, map, Notice of Finding, and the CEQA documents were attached to the agenda. A recommendation was made that the Board adopt a resolution for making application to LAFCO for annexation; review, consider, and find adequate the CEQA document for annexation; and consent to waiver of protest proceedings. Furthermore, a recommendation was made that the Board adopt a joint resolution with the County of Los Angeles, Antelope Valley Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Lancaster, and Antelope Valley-East Kern Water Agency approving and accepting the negotiated exchange of property tax revenues resulting from annexation.

The Chief Engineer and General Manager stated that this annexation is a standard annexation of single-family homes to the District.

Upon motion of Director Barger, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby approve the Joint Resolution of the Board of Supervisors of the County of Los Angeles, the governing bodies of the Antelope Valley Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Lancaster, and Antelope Valley-East Kern Water Agency, and this Board of Directors, approving and accepting the negotiated exchange of property tax revenues resulting from Annexation No. 443 to the District, a copy of which is on file at the Office of the District and by reference incorporated herein as though fully set forth; and the Chairperson and Secretary are authorized to execute the Joint Resolution on behalf of the District. Furthermore, the following resolution was adopted:

RESOLUTION

WHEREAS, the Board of Directors of County Sanitation District No. 14 of Los Angeles County, hereinafter referred to as "District", desires to commence proceedings for the annexation to District of certain territory, described in Exhibit "A", attached hereto and by reference incorporated as a part hereof; and

WHEREAS, said Board of Directors does hereby certify that it has reviewed and considered the environmental documents submitted for the proposed annexation and found said environmental documents to be adequate;

NOW, THEREFORE, said Board of Directors does HEREBY RESOLVE, FIND, AND DECLARE as follows:

1. Application and a proposal is hereby made to the Local Agency Formation Commission of Los Angeles County for a change of organization as follows:
 - (a) This proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with Section 56000, Government Code, State of California.
 - (b) The nature of the proposed change of organization and the name of the District for which such change of organization is proposed are as follows:

The annexation of the territory described in Exhibit "A" hereof to County Sanitation District No. 14 of Los Angeles County.
 - (c) The names of all other affected counties, Districts, or cities are as follows:

Counties: None
Districts: None
Cities: Lancaster and Palmdale
 - (d) The territory is uninhabited. A description of the exterior boundaries of such territory is set forth in Exhibit "A" hereof.
 - (e) It is desired that the proposed annexation provide for and be made subject to the following terms and conditions:
 - (1) The retention by District of the deposited sum of \$9,370.00 as the fee required by the Board of Directors for said annexation.
 - (2) The negotiated exchange of property tax revenues between affected agencies resulting from said annexation to District.
 - (f) The reasons for this proposal are as follows:
 - (1) The District is empowered to and is engaged in providing sewerage facilities which can best serve the territory proposed to be annexed with sewage disposal service. Based on the information provided by the property owners, the District's sewerage facilities have or, in accordance with current policy, will have adequate capacity to collect, treat, and dispose of the wastewater anticipated to be generated on the subject property. Actual sewer hook-up will not be allowed until payment of the connection fee and shall be subject to all circumstances then existent including the availability of capacity. Disposal of the treated wastewater will be in accordance with waste discharge permits issued by the appropriate California Regional Water Quality Control Board.
 - (2) Said territory is proposed to be developed, and the property owners have requested in writing that the territory be provided with sewage disposal service.
 - (3) Said territory must be annexed to District before sewage disposal service is provided.
 - (g) This proposal is consistent with the sphere of influence of the District.
 - (h) In accordance with the requirements of California Health & Safety Code Section 4830, the territory subject to this annexation will benefit from the annexation.

- (i) It is hereby requested that proceedings be taken for the change of organization proposed, according to the terms and conditions stated above and in a manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
- 2. Said District consents to waiver of protest proceedings pursuant to Section 56663 of the Government Code.
- 3. The Clerk of the District is hereby authorized and directed to file a certified copy of this resolution with the Executive Officer of the Local Agency Formation Commission of Los Angeles County.

RE: ANNEXATION NO. 444
 RESOLUTIONS AUTHORIZING
 APPLICATION TO LOCAL AGENCY
 FORMATION COMMISSION AND
 APPROVING NEGOTIATED
 EXCHANGE OF PROPERTY
 TAX REVENUES - ADOPT

Annexation No. 444 consists of 208 proposed single-family homes in the City of Lancaster. Each annexation to the District's service area requires adoption of two resolutions by the Board. The first resolution authorizes submittal of the annexation application to Local Agency Formation Commission (LAFCO), approves the California Environmental Quality Act (CEQA) document, and consents to a waiver of the LAFCO protest hearing.

The second resolution is a joint resolution with agencies that already provide services to the proposed annexation territory agreeing to the amount of property tax revenue that will be apportioned to the District in accordance with the Revenue and Taxation Code. A data sheet, map, Notice of Finding, and the CEQA documents for annexation were attached to the agenda. A recommendation was made that the Board adopt a resolution for making an application to LAFCO for annexation; review, consider, and find adequate the CEQA document; and consent to a waiver of protest proceedings. Furthermore, a recommendation was made that the Board adopt a joint resolution with the County of Los Angeles, Antelope Valley Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Lancaster, and Antelope Valley-East Kern Water Agency approving and accepting the negotiated exchange of property tax revenues resulting from annexation.

The Chief Engineer and General Manager stated that this annexation is a standard annexation of single-family homes to the District.

Upon motion of Director Barger, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby approve the Joint Resolution of the Board of Supervisors of the County of Los Angeles, the governing bodies of the Antelope Valley Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Lancaster, and Antelope Valley-East Kern Water Agency, and this Board of Directors, approving and accepting the negotiated exchange of property tax revenues resulting from Annexation No. 14 to the District, a copy of which is on file at the Office of the District and by reference incorporated herein as though fully set forth; and the Chairperson and Secretary are authorized to execute the Joint Resolution on behalf of the District. Furthermore, the following resolution was adopted:

RESOLUTION

WHEREAS, the Board of Directors of County Sanitation District No. 14 of Los Angeles County, hereinafter referred to as "District", desires to commence proceedings for the annexation to District of certain territory, described in Exhibit "A", attached hereto and by reference incorporated as a part hereof; and

WHEREAS, said Board of Directors does hereby certify that it has reviewed and considered the environmental documents submitted for the proposed annexation and found said environmental documents to be adequate;

NOW, THEREFORE, said Board of Directors does HEREBY RESOLVE, FIND, AND DECLARE as follows:

- 1. Application and a proposal is hereby made to the Local Agency Formation Commission of Los Angeles County for a change of organization as follows:
 - (a) This proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with Section 56000, Government Code, State of California.
 - (b) The nature of the proposed change of organization and the name of the District for which such change of organization is proposed are as follows:

The annexation of the territory described in Exhibit "A" hereof to County Sanitation District No. 14 of Los Angeles County.

(c) The names of all other affected counties, Districts, or cities are as follows:

Counties: None

Districts: None

Cities: Lancaster and Palmdale

(d) The territory is uninhabited. A description of the exterior boundaries of such territory is set forth in Exhibit "A" hereof.

(e) It is desired that the proposed annexation provide for and be made subject to the following terms and conditions:

(1) The retention by District of the deposited sum of \$8,200.00 as the fee required by the Board of Directors for said annexation.

(2) The negotiated exchange of property tax revenues between affected agencies resulting from said annexation to District.

(f) The reasons for this proposal are as follows:

(1) The District is empowered to and is engaged in providing sewerage facilities which can best serve the territory proposed to be annexed with sewage disposal service. Based on the information provided by the property owners, the District's sewerage facilities have or, in accordance with current policy, will have adequate capacity to collect, treat, and dispose of the wastewater anticipated to be generated on the subject property. Actual sewer hook-up will not be allowed until payment of the connection fee and shall be subject to all circumstances then existent including the availability of capacity. Disposal of the treated wastewater will be in accordance with waste discharge permits issued by the appropriate California Regional Water Quality Control Board.

(2) Said territory is proposed to be developed, and the property owners have requested in writing that the territory be provided with sewage disposal service.

(3) Said territory must be annexed to District before sewage disposal service is provided.

(g) This proposal is consistent with the sphere of influence of the District.

(h) In accordance with the requirements of California Health & Safety Code Section 4830, the territory subject to this annexation will benefit from the annexation.

(i) It is hereby requested that proceedings be taken for the change of organization proposed, according to the terms and conditions stated above and in a manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

2. Said District consents to waiver of protest proceedings pursuant to Section 56663 of the Government Code.

3. The Clerk of the District is hereby authorized and directed to file a certified copy of this resolution with the Executive Officer of the Local Agency Formation Commission of Los Angeles County.

RE: APPROPRIATIONS LIMIT
FOR FISCAL YEAR 2023-24
ESTABLISH AND ADOPT

A letter discussing the 2023-24 fiscal year budget matters accompanied the agenda. The Government Code requires the governing body of each local jurisdiction to establish, by resolution, an appropriations limit for each fiscal year.

The documentation used in the determination of the appropriations limits must be available 15 days prior to this action being taken. The method by which the Districts' appropriations limits were calculated has been available to the public at the Districts' Joint Administration Office since May 18, 2023, and was provided to the Directors with the letter of June 2, 2023, mailed with the agenda. This item is consistent with the Districts' Guiding

Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short and long term needs to minimize the need for significant rate increases.

The appropriations limit for fiscal year 2023-24 has been determined by adjusting the previous fiscal year's limits using the factors specified in the Government Code. The appropriations limit has also been adjusted to include mandated costs, all in accordance with the procedures outlined in Article XIIIB of the Constitution and Section 7910 of the Government Code. A recommendation was made that, in order to comply with legal requirements, this Board adopt an appropriations limit of \$77,360,317 for fiscal year 2023-24.

Upon motion of Director Bettencourt, duly seconded and unanimously carried, the following resolution was adopted:

BE IT RESOLVED, that pursuant to Section 7910 of the Government Code of the State of California, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby establish and adopt an appropriations limit of \$77,360,317 for fiscal year 2023-24, utilizing the population change and the change in the personal per capita income.

RE: BUDGET 2023-24
OPERATING FUND

The Chief Engineer and General Manager advised that staff had a brief slide presentation on the wastewater budget matters. He introduced Mr. Matt Eaton, Deputy

Assistant Chief Engineer, to give the presentation. He stated that the item on the agenda was to adopt the final budget for fiscal year 2023-24. The slide presented was a summary of the final budget. The final budget is similar to the preliminary budget and previous projections presented to the board earlier in the year. There is no increase in the service charge rate for fiscal year 2023-24. As discussed previously, operations and maintenance cost projections are higher than in recent years due to inflation, in particular, for chemical, utilities and labor. Capital spending is also increasing in the coming years due to needed sewer repairs which was reflected on the preliminary budget. The capital budget is lower by 1.5 million dollars due to the fine-tuning of the capital projects' schedules. The District' reserves are in a good position relative to target. There will likely be a recommendation to have a rate increase next year.

In response to Chairperson pro tem Crist, the rate increase over the next couple of years would be gradual.

In a letter dated June 2, 2023, to the Board, matters were discussed pertaining to the budget for the 2023-24 fiscal year. A sewerage system final budget for the 2023-24 fiscal year was presented and a recommendation was made that the budget be adopted.

Upon motion of Director Bettencourt, duly seconded and unanimously carried, the sewerage system final budget for 2023-24 was approved, adopted, and ordered filed.

RE: TAX LEVY
OPERATING FUND

Data for the tax levy necessary for the Operating Fund was presented and a recommendation was made that the tax levy be requested in accordance therewith.

Upon motion of Director Bettencourt, duly seconded and unanimously carried, the following resolution was adopted:

BE IT HEREBY DETERMINED, RESOLVED, AND ORDERED AS FOLLOWS:

That pursuant to the provisions of Article 6, Section 4815 of the County Sanitation District Act (Chapter 3, Part 3, Division V, of the Health & Safety Code of the State of California), the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby find and declare that the sum of \$2,285,000 is and will be the amount necessary to maintain, operate, extend, or repair any work or improvements of the District for the collection, treatment, and disposal of sewage, and to defray all other expenses incidental to the exercise of any of the District's powers, except the amounts necessary to acquire, construct, maintain, and operate a refuse transfer or disposal system, or both, and any other expenses incidental to the operation of the system during the ensuing year and prior to the annual levy of taxes for the fiscal year 2024-25, and the Board of Supervisors of Los Angeles County is hereby requested to cause to be levied and collected at the same time and in the same manner as the next general tax levy for the County a tax upon the real property in the District, in an amount sufficient to raise the required amount, to wit: \$2,285,000, to be paid into the County Treasury to the credit of the Operating Fund of the District.

The Secretary is hereby instructed to furnish a copy of this resolution and statement to the Board of Supervisors of Los Angeles County at least fifteen (15) days before the first day of September 2023.

RE: APPROPRIATIONS
OPERATING FUND 2023-24

Upon motion of Director Bettencourt, duly seconded and unanimously carried, the appropriations from the Operating Fund for Fiscal Year 2023-24 were ordered made as shown in the Operating Fund Final Wastewater Budget that was attached to the agenda.

RE: RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT WITH CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2023-1 (CITY OF LANCASTER – PACIFIC AGAVE & PACIFIC LILY) - ADOPT

A proposed Resolution approving the *Joint Community Facilities Agreement* (Agreement) with California Municipal Finance Authority (Authority) and Pacific Communities Builder, Inc., a California Corporation (Developer), was presented. In order to fund obligations to District No. 14 associated with the Pacific Agave and Pacific Lily developments, the Developer has proposed establishing a Community Facilities District (CFD) through the Authority pursuant to the Mello-Roos Community Facilities Act of 1982. In accordance with the Mello-Roos Act, the Authority is the agency forming the CFD.

In order to receive bond proceeds, the District must be party to the Agreement. The District will have no obligations for issuing any CFD bonds or for repaying any bonds that might be issued. The proposed Resolution authorizes the Chief Engineer and General Manager to execute the Agreement. Staff has determined that Resolution and Agreement do not constitute a “Project” under the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Section 15378. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship. A copy of the proposed Resolution was attached to the agenda. A recommendation was made to adopt the Resolution.

The Chief Engineer and General Manager stated that developments use a *Joint Community Facility Agreement* to use a portion of the bonds for connection to the sewers.

In response to Director Bettencourt and the Chairperson pro tem, District Counsel stated that they believed they each may have a conflict of interest stemming from campaign contributions made from a principal of Pacific Communities Builder, Inc., to each of them individually. Out of an abundance of caution, both Director Bettencourt and the Chairperson pro tem wanted to abstain from voting on this item. However, if both Director Bettencourt and the Chairperson pro tem abstained from voting, there would be a lack of quorum to vote on this action. The “rule of necessity” has been applied to allow the making of a contract that Gov. Code Section 1090 would otherwise prohibit. (2 CCR 18705; *Dietrick* Advice Letter, No. A-15-174; 88 File No. A-20-159 Page No. 4 Ops. Cal. Atty. Gen. 106, 110 (2005).) District Counsel advised that Director Bettencourt could vote on the item as the rule of necessity required either Director Bettencourt or the Chairperson pro tem, chosen at random, to vote to achieve a quorum.

Upon motion of Director Barger, duly seconded and carried with the Chairperson pro tem abstaining, the following Resolution was adopted:

RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT WITH CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2023-1 (CITY OF LANCASTER – PACIFIC AGAVE & PACIFIC LILY)

WHEREAS, the California Municipal Finance Authority (the “Authority”) is initiating proceedings to establish a community facilities district to be designated as the “California Municipal Finance Authority Community Facilities District No. 2023-1 (City of Lancaster – Pacific Agave & Pacific Lily)” (the “Community Facilities District”), pursuant to Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the “Mello-Roos Community Facilities Act of 1982” (the “Act”), for the formation of the Community Facilities District, for the purpose, among others, of financing through the sale of bonds or the levy of special taxes to pay for the design, construction, and acquisition of certain public facilities which are necessary to meet increased demands placed upon the City of Lancaster and County Sanitation District No. 14 of Los Angeles County (the “Sanitation District”) as a result of the development of the property within the Community Facilities District; and

WHEREAS, the Community Facilities District is proposed to encompass Assessor Parcel Numbers 3203-008-056, 3203-008-057, 3176-020-049, 3176-020-056 and 3176-020-057, which are located with the boundaries of the Sanitation District and are being developed into single family residences by Pacific Communities Builder, Inc. (the "Developer"); and

WHEREAS, pursuant to Sections 53316.2 through 53316.6 of the Act, a community facilities district may finance facilities to be owned or operated by an entity other than the agency that created the district pursuant to a joint community facilities agreement if the legislative body of each entity adopts a resolution declaring that such a joint agreement would be beneficial to the residents of that entity; and

WHEREAS, there has been presented to the Board of Directors of the Sanitation District (the "Board") a form of joint community facilities agreement to now be entered into by the Sanitation District; and

WHEREAS, the Board has determined that the proposed joint community facilities agreement will be beneficial to the residents of the Sanitation District.

NOW, THEREFORE, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby resolve, determine, and order as follows:

SECTION 1. The Board hereby determines that the joint community facilities agreement, attached hereto as Exhibit A and incorporated hereby, by and between the Authority, the Sanitation District, and Developer (the "Agreement") will be beneficial to the residents of the Sanitation District.

SECTION 2. The Agreement is approved in the form submitted to the Board at the meeting at which this Resolution is adopted and the Chief Engineer and General Manager (the "Authorized Officer") is authorized to execute and deliver the Agreement on behalf of the Sanitation District. The Authorized Officer is authorized to consent to any such modifications of the Agreement as may be necessary to effectuate its purposes.

SECTION 3. The Secretary to the Board shall deliver an executed copy of the Agreement to the Authority.

APPROVED AND ADOPTED by the Board of Directors of County Sanitation District No. 14 of Los Angeles County this 8th day of June 2023 by the following vote:

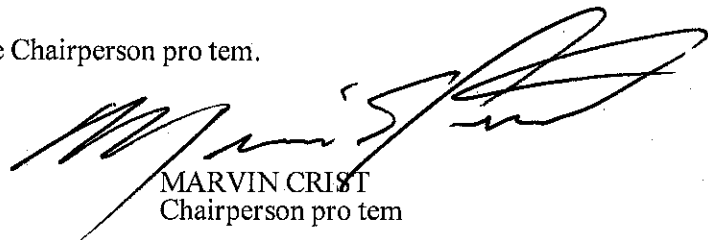
AYES: Directors Bettencourt and Barger

NOES: None

ABSTAIN: Director Crist

ABSENT: None

The meeting was adjourned by the Chairperson pro tem.


MARVIN CRIST
Chairperson pro tem

ATTEST:



DENISE SPRINGER
Deputy Secretary

/ee