

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 14

To be held at the ANTELOPE VALLEY TRANSIT AUTHORITY
42210 6th Street West, Lancaster, California

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

THURSDAY April 11, 2024 At 11:30 A.M.

Governing Body	Director	Alternate
LANCASTER	PARRIS (Chairperson)	CRIST (Chair pro tem)
PALMDALE	BISHOP	LOA
LOS ANGELES COUNTY	HORVATH	BARGER

1. Pledge of Allegiance
2. Director Compensation
3. Public Comment
4. Approve Minutes of Adjourned Regular Meeting Held March 21, 2024
5. Approve January 2024 Expenses in Amount of \$3,158,363

Summary: Local District expenses represent costs that are the sole responsibility of the individual District. Allocated expenses represent the District’s proportionate share of expenses made by District No. 2, the Administrative District, on its behalf pursuant to the Joint Administration Agreement. This Agreement provides for the joint administration and technical support for all of the signatory Districts along with the methodology for determining the proportionate costs for each District. A listing of Districts’ payments and previously approved budgets can be found on the Districts’ website at lacs.org/financial-documents. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

Local District Expenses:	
Operations & Maintenance	\$1,535,228
Capital	1,294,140
Legal	3,753
Allocated Expenses:	
Joint Administration	162,618
Technical Support	159,349
Legal	3,275
Total Expenses	<u>\$3,158,363</u>

6. Re: Wastewater Revenue Program
 - (a) Order Wastewater Service Charge Report, Containing Description of Each Parcel and Amount of Proposed Wastewater Service Charge for Fiscal Year 2024-25 for Each Parcel; Filed with Clerk of Board of Directors of District(s)
 - (b) Establish Date, Time, and Place for Public Hearing on Report; Order Publication of Required Public Notices

Summary: Filing of the Service Charge Report is required each year to collect the wastewater service charge on the property tax roll. The current service charge rate per single-family home is \$40.66 per month (\$487.88 per year), and no increase is recommended for fiscal year 2024-25. A letter discussing the service charge rate, the fiscal year 2024-25 preliminary budget, and related matters accompanies the agenda. Staff recommends that the Public Hearing be held at the Board meeting scheduled for May 9, 2024. This item is consistent with the Districts’ Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to plan for both short-term and long-term needs to minimize the need for significant rate increases.

Adjourn

Status Report: Prior to or during the meeting session, the Chief Engineer and General Manager may update the Directors on various matters concerning the Districts that may be of current interest to the Directors.

Public Comment: Members of the public may address the Board of Directors on any item shown on the agenda or matter under the Board’s authority. A “Request to Address Board of Directors” form is available. In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Secretary to the Boards’ Office (562) 908-4288, extension 1100. Notification of 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.101 et seq. ADA Title II).

Document Requests: Links to supporting documents are available online at the time of posting. Agendas and supporting documents or other writings that will be distributed to Board members in connection with matters subject to discussion or consideration at this meeting that are not exempt from disclosure under the Public Records Act are available for inspection following the posting of this agenda at the office of the Secretary to the Boards of Directors located at the Districts’ Joint Administration Building, 1955 Workman Mill Road, Whittier, California, 90601, or at the time of the meeting at the address posted on this agenda.



February 9, 2024

Boards of Directors
Los Angeles County Sanitation Districts

Directors:

Wastewater Revenue Program for Fiscal Year 2024-25

The agendas for the upcoming meetings of the Boards of Directors contain an item regarding the District's service charges for residential, commercial, and small industrial dischargers which are collected on the property tax roll.

Service charge rate ordinances have previously been adopted by the Boards and no changes are being proposed to these ordinances. However, to continue to collect the service charge on the property tax roll the Boards must take certain actions. Specifically, pursuant to state law, the Boards must: (1) order a Service Charge Report be filed with the District Clerk, (2) establish the date, time, and place for a public hearing on the report; and (3) order the publication of the required notices.

BUDGET FOR FISCAL YEAR 2024-25

Enclosed for your review is the preliminary budget for fiscal year 2024-25; a list of user fees; information on the monies set aside in various funds/reserves; and an explanation of terms used in the budget. The funds and reserves were established and funded in accordance with the District's *Wastewater Financial Reserve Policy*. For the Joint Outfall System (JOS) Districts, a preliminary budget for the JOS for fiscal year 2024-25, and information on JOS reserves has also been included to provide more detail on the District's share of Joint Outfall expenses, but will only be adopted by District No. 2, the administrative District for the JOS.

A final budget will be presented to the Board for consideration in June as part of the overall budgetary process, adoption of which will authorize budget appropriations.

SERVICE CHARGE AND SURCHARGE RATES

No change to previously-adopted rates is proposed for fiscal year 2024-25. Multi-family residential units will pay 60% of the adopted single-family home rate and condominiums will pay 75% of the adopted single-family home rate. Likewise, commercial and industrial dischargers will pay in proportion to their use of the wastewater management system compared to a single-family home. Dischargers with verified low water usage (particularly seniors and retirees) may qualify for a reduced charge.

LOW WATER REBATE PROGRAM

Because the cost of metering wastewater discharges from individual parcels is impractical and cost prohibitive, discharges are estimated using standard loading factors based on the size and types of facilities located on the parcel. With the ongoing efforts by local communities to conserve water and install low-flow plumbing fixtures, many parcels may be discharging at lower rates than is currently estimated. The Districts' low water rebate program allows parcel owners to apply for a reduction in their service charge rate based on their actual water usage. Staff has conducted a concerted public outreach program, including information on the program in our Proposition 218 notices, newspaper advertisements, and the Districts' website, to ensure that parcel owners are aware of the program.

SUMMARY OF REQUIRED ACTIONS

As previously discussed, the Board must order the filing of a Service Charge Report (enclosed) with the District Clerk. The Boards must also schedule a public hearing and instruct the District Clerk to publish newspaper notices to inform the public of the hearing. After the close of its public hearing, the Boards will consider adoption of the Service Charge Report, as is required under the California Health and Safety Code for the District to continue to collect the previously approved wastewater service charge as a separate line item on the property tax roll. This is the most cost-effective and efficient means of collecting the service charges. It is recommended that the public hearing be set for the date, time and location listed on the agenda.

At the June Board meetings, final budgets will be presented to the Boards of Directors for consideration as part of the overall budgetary process, adoption of which will authorize budget appropriations. In addition, the Boards must take certain administrative actions that are required of all agencies that receive ad valorem taxes. These include establishing by resolution the amount of the tax levy Districts will request from the Los Angeles County Tax Collector and adopting a limit on authorized expenditures of tax proceeds.

Very truly yours,



Robert C. Ferrante

RCF:gc
Enclosures

COUNTY SANITATION DISTRICT NO. 14 SERVICE CHARGE REPORT FOR FISCAL YEAR 2024-25

INTRODUCTION

County Sanitation District No. 14 of Los Angeles County encompasses portions of the cities of Lancaster and Palmdale and unincorporated Los Angeles County.

District No. 14 provides wastewater management services for the area described above. The District is responsible for the operation and maintenance of the Lancaster Water Reclamation Plant and the large trunk sewers which convey wastewater to this facility. These services are essential to protect the public health of the people served by the system.

District No. 14 must provide the revenue required to operate and maintain its facilities. The general revenue sources currently available to the District include a pro rata share of the ad valorem (property) taxes, service charges, industrial wastewater surcharges, interest income, contract revenue, and reserves. Any surplus will be transferred to designated reserves to meet targeted reserve requirements.

PROPOSED SYSTEM DESCRIPTION

The required supplemental revenue required under the *Master Service Charge Ordinance of County Sanitation District No. 14 of Los Angeles County* will be allocated among classes of developed parcels of real property on the basis of use of the sewerage system. The revenue derived from the service charge will be used for operation and maintenance and capital costs.

All industrial dischargers in District No. 14 discharging more than 1.0 million gallons per year are required to file a wastewater surcharge statement as prescribed in the Wastewater Ordinance to pay their appropriate share of the costs based on their use of the sewerage system. All other users of the sewerage system, except for contractual and local government users, will pay service charges.

The basic term used to define the service charge is a sewage unit. A sewage unit represents the average daily quantity of sewage flow and strength from a single-family home measured in terms of flow, chemical oxygen demand, and suspended solids. The number of sewage units (SU) per unit of measure shall be determined by the following formula:

$$\text{SU} = A \left(\frac{\text{FLOW}_{\text{avg}}}{\text{FLOW}_{\text{sfh}}} \right) + B \left(\frac{\text{COD}_{\text{avg}}}{\text{COD}_{\text{sfh}}} \right) + C \left(\frac{\text{SS}_{\text{avg}}}{\text{SS}_{\text{sfh}}} \right)$$

where:

- A = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to flow;
- B = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to COD;
- C = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to suspended solids;

- $FLOW_{sfh}$ = Average flow of wastewater from a single-family home in gallons per day;
 COD_{sfh} = Average loading of COD in the wastewater from a single-family home in pounds per day;
 SS_{sfh} = Average loading of suspended solids in the wastewater from a single-family home in pounds per day;
 $FLOW_{avg}$ = Estimated flow of wastewater which will enter the sewerage system from a user in gallons per day;
 COD_{avg} = Estimated loading of COD which will enter the sewerage system from a user in pounds per day;
 SS_{avg} = Estimated loading of suspended solids which will enter the sewerage system from a user in pounds per day.

For fiscal year 2024-25, the proportions of the total operation and maintenance and capital costs attributable to flow, chemical oxygen demand, and suspended solids have been assigned the following values:

A	=	0.3863
B	=	0.3210
C	=	0.2927

The service charge for each sewage unit is determined by dividing the total required supplemental revenue by the total number of sewage units in the District. The service charge for each parcel is determined by multiplying the service charge for each sewage unit by the number of sewage units attributable to the parcel, which in turn, is determined by the class of real property and the sewage unit formula and the flow, COD and SS loadings from Table 1, which shows the corresponding value for each class of real property in District No. 14.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2024-25 is \$487.88 per sewage unit. Parcels with significantly lower water usage may be eligible for a reduced rate pursuant to the terms of the *Master Service Charge Ordinance of County Sanitation District No. 14 of Los Angeles County*.

DESCRIPTION OF PARCELS RECEIVING SERVICES AND IDENTIFICATION OF AMOUNT OF CHARGE FOR EACH PARCEL

All parcels of real property within the 2024-25 Tax Rate Areas as shown in Table 2 are receiving or benefiting from the services and facilities of District No. 14. Additionally, the parcels listed in Table 3, which do not fall within the Tax Rate Areas shown in Table 2, are receiving or benefiting from the services and facilities of District No. 14. Said parcels are more particularly described in maps prepared in accordance with Section 327, Revenue and Taxation Code, which are on file in the office of the County Assessor, which maps are hereby incorporated herein by reference.

All commercial and institutional parcels assessed a service charge based on the Los Angeles County Assessor's current tax roll shall be charged on the basis of not less than one (1.0) sewage unit.

No charge shall be imposed on the owner or owners of any parcels as to which the fair market value of improvements is less than \$1,000 as determined on the basis of the Assessor's current tax roll. This assumption is predicated on the fact that this type of parcel would be a vacant piece of land; however, should subsequent evaluation reveal that the property is not vacant, then an appropriate service charge would be levied.

**TABLE 1
LOADINGS FOR EACH CLASS OF LAND USE**

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
RESIDENTIAL				
Single Family Home	Dwelling Unit	260	1.22	0.59
Condominiums	Dwelling Unit	195	0.92	0.44
Multi-Unit Residential	Dwelling Unit	156	0.73	0.35
Mobile Home Parks	No. of Spaces	156	0.73	0.35
COMMERCIAL				
Hotel/Motel/Rooming House	Room	125	0.54	0.28
Store	1000 ft ²	100	0.43	0.23
Supermarket	1000 ft ²	150	2.00	1.00
Shopping Center	1000 ft ²	325	3.00	1.17
Regional Mall	1000 ft ²	150	2.10	0.77
Office Building	1000 ft ²	200	0.86	0.45
Medical, Dental, Veterinary Clinic or Building	1000 ft ²	300	1.29	0.68
Restaurant	1000 ft ²	1,000	16.68	5.00
Indoor Theatre	1000 ft ²	125	0.54	0.28
Car Wash				
Tunnel - No Recycling	1000 ft ²	3,700	15.86	8.33
Tunnel - Recycling	1000 ft ²	2,700	11.74	6.16
Wand	1000 ft ²	700	3.00	1.58
Bank, Credit Union	1000 ft ²	100	0.43	0.23
Service Shop, Vehicle Maintenance & Repair Shop	1000 ft ²	100	0.43	0.23
Animal Kennels	1000 ft ²	100	0.43	0.23
Gas Station	1000 ft ²	100	0.43	0.23
Auto Sales	1000 ft ²	100	0.43	0.23
Wholesale Outlet	1000 ft ²	100	0.43	0.23
Nursery/Greenhouse	1000 ft ²	25	0.11	0.06
Manufacturing	1000 ft ²	200	1.86	0.70
Light Manufacturing ≤ 300,000 sq. ft	1000 ft ²	25	0.23	0.09
Light Manufacturing > 300,000 sq. ft	1000 ft ²	10	0.09	0.05
Lumber Yard ≤ 300,000 sq. ft.	1000 ft ²	25	0.23	0.09
Lumber Yard > 300,000 sq. ft.	1000 ft ²	10	0.09	0.05
Warehousing ≤ 300,000 sq. ft	1000 ft ²	25	0.23	0.09
Warehousing > 300,000 sq. ft	1000 ft ²	10	0.09	0.05
Open Storage ≤ 300,000 sq. ft	1000 ft ²	25	0.23	0.09
Open Storage > 300,000 sq. ft	1000 ft ²	10	0.09	0.05
Drive-in Theatre	1000 ft ²	20	0.09	0.05
Night Club	1000 ft ²	350	1.50	0.79
Bowling/Skating	1000 ft ²	150	1.76	0.55
Club & Lodge Halls	1000 ft ²	125	0.54	0.27
Auditorium, Amusement	1000 ft ²	350	1.50	0.79

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
Golf Course and Park (Structures and Improvements)	1000 ft ²	100	0.43	0.23
Campground, Marina, Recreational Vehicle Park	Sites, Slips, or Spaces	55	0.34	0.14
Convalescent Home	Bed	125	0.54	0.28
Horse Stables	Stalls	25	0.23	0.09
Laundromat	1000 ft ²	3,825	16.40	8.61
Mortuary, Funeral Home	1000 ft ²	100	1.33	0.67
Health Spa, Gymnasium With Showers	1000 ft ²	600	2.58	1.35
Without Showers	1000 ft ²	300	1.29	0.68
Convention Center, Fairground, Racetrack, Sports Stadium/Arena	Average Daily Attendance	10	0.04	0.02
INSTITUTIONAL				
College/University	Student	20	0.09	0.05
Private School	1000 ft ²	200	0.86	0.45
Library, Museum	1000 ft ²	100	0.43	0.23
Post Office (Local)	1000 ft ²	100	0.43	0.23
Post Office (Regional)	1000 ft ²	25	0.23	0.09
Church	1000 ft ²	50	0.21	0.11

TABLE 2
TAX RATE AREAS IN SANITATION DISTRICT NO. 14

000229	000237	000242	000254	000255
000264	001446	001599	001632	001739
001751	001779	001837	001838	001948
001962	001977	001993	002036	002203
002279	002368	002370	002400	002401
002404	002405	002406	002413	002415
002428	002431	002432	002437	002438
002440	002441	002443	002459	002464
002498	002546	002548	002549	002551
002959	003440	003446	003452	003453
003466	003468	003650	003733	003803
003853	003881	003905	003907	003908
003909	003912	003981	003994	004170
004299	004647	004754	004786	004796
004817	004820	004823	004826	004837
004840	004841	004844	004846	004847
004852	004854	004856	004860	004861
004863	004866	004878	004879	004886
004889	004890	004891	004892	004893
004895	004896	004897	004899	004900
004901	004911	005221	005227	005228
005229	005290	005292	005372	005385
005392	005397	005401	005403	005404
005405	005406	005407	005409	005410
005412	005438	005452	005454	005456
005457	005458	005459	005460	005467
005469	005471	005494	005553	005558
005559	005569	005605	005606	005607
005610	005618	005627	005628	005631
005635	005636	005642	005695	005711

005719	005720	005726	005729	005733
005739	005744	005747	005755	005799
005809	005814	005815	005816	005818
005821	005823	005824	005827	005828
005833	005835	005837	005838	005844
005845	005847	005849	005850	005854
005856	005858	005859	005861	005863
005864	005866	005870	005871	005872
005873	005877	005881	005882	005884
005885	005886	005887	005888	005889
005890	005891	005895	005896	005897
005899	006024	006026	006048	006083
006084	006085	006098	006104	006105
006106	006109	006117	006122	006124
006146	006164	006171	006176	006228
006239	006243	006257	006273	006274
006306	006317	006393	006587	006673
006727	006731	006741	006840	006851
007237	007238	007264	007350	007613
007639	007712	007713	007714	007715
007716	007888	008021	008023	008083
008085	008369	008388	008393	008545
008555	008557	008563	008583	008622
008648	008650	008773	009041	009205
009412	009537	009540	009543	009554
009557	009562	009568	009569	009575
009583	009592	009595	009596	009598
009609	009776	009777	009778	009779
009804	009805	009809	009810	009812
009816	009826	009827	009841	009845
009846	009886	009895	009905	009911
009915	009916	009918	009919	009920

009921	009923	009927	009929	009930
009931	009932	009933	009934	009991
009992	009993	009994	009995	009997
010221	010226	010228	010229	010234
010239	010240	010241	010259	010261
010264	010312	010322	010332	010351
010397	010402	010404	010460	010464
010474	010475	010482	010553	010572
010604	010605	010626	010647	010664
010665	010666	010668	010669	010670
010715	010724	010725	010773	010775
010776	010780	010800	011057	011082
011090	011091	011092	011093	011096
011120	011148	011177	011188	011230
011231	011251	011336	011354	011361
011374	011379	011384	011398	011415
011416	011430	011435	011441	011442
011443	011487	011489	011490	011491
011530	011531	011581	011586	011633
011635	011649	011697	011698	011718
011732	011822	011871	011872	012128
012264	012389	012555	012556	012568
012571	012591	012640	012659	012660
012662	012666	012672	012673	012735
012746	012748	012751	012760	012762
012777	012834	012840	012863	012888
013177	013279	013312	013346	013375
013377	013378	013446	013447	013463
013464	013468	013471	013472	013508
013509	013529	013558	013585	013616
013619	013620	013621	013625	013799
013800	013801	013809	013812	013817

013825	013856	013895	013900	013901
013903	013904	013910	013911	013913
013915	013916	013918	013920	013923
013927	013928	013931	013932	013935
013936	013950	013987	013988	013991
013992	013993	013996	013997	014008
014011	014012	014019	014020	014030
014031	014055	014066	014068	014123
014134	014135	014136	014137	014138
014139	014140	014144	014146	014154
014165	014244	014292	014293	014294
014304	014306	014307	014308	014347
014371	014376	014400	014432	014439
014440	014442	014447	014448	014449
014450	014452	014453	014456	014504
014522	014523	014524	014527	014530
014531	014532	014540	014541	014542
014543	014544	014545	014573	014575
014576	014641	014646	014653	014659
014660	014666	014677	014688	014729
014731	014732	014742	014743	014744
014850	014851	014852	014854	014881
014882	014883	014884	014885	014886
014887	014888	014889	014890	014892
014893	014894	014895	014896	014897
014904	014928	014930	014944	014952
015003	015004	015005	015011	015013
015014	015018	015020	015021	015026
015027	015032	015035	015059	015068
015069	015076	015102	015122	015126
015127	015129	015130	015133	015134
015176	015195	015197	015198	015219

015223	015225	015229	015230	015232
015233	015268	015270	015271	015272
015274	015276	015305	015309	015323
015328	015329	015330	015334	015336
015337	015341	015345	015346	015347
015371	015373	015375	015376	015415
015417	015472	015473	015474	015557
015559	015571	015770	015772	015777
015790	015805	015806	015808	015809
015810	015846	016137	016148	016149
016156	016157	016161	016219	016225
016282	016302	016303	016304	016327
016341	016343	016347	016349	016351
016420	016421	016424	016425	016510
016571	016652	016668	016669	016724
016731	016732	016766	016779	016782
016789	016823	016825	016826	016832
016929	016934	016937	016938	016996
017007	017069	017070	017072	017123
017126	017127	017322		

TABLE 3
PARCEL NUMBERS SERVED BY SANITATION DISTRICT NO. 14
OUTSIDE OF TAX RATE AREAS

4231027001	4231027004	4231027008	4231027029	4231027030	4231027031
4231028001	4231028026	4231028027	4231028029	4231028031	4231028032
4231028033	4231028034	4231028035	4231028037	4231028039	4231028040
5223002007	6233034216	7014001019	7014001020	7014001021	7014001022
7014001023	7014001025	7014001026	7014001027	7014001028	7014001029
7014001030	7014001031	7014001032	7014001033	7014001034	7014001035
7014001036	7014001037	7014001038	7014001041	7101003025	7101004024
7101005025	7101006026	8078023065	8078023066	8078023067	

**County Sanitation District No. 14 of Los Angeles County
Preliminary Operating Fund Budget (\$ in thousands)
Fiscal Year 2024-25**

	Adopted 2023-24 ⁽¹⁾	Proposed 2024-25 ⁽¹⁾
Starting Balance	\$ 34,942	\$ 15,997
Sources of Funds		
Service Charge	\$ 34,142	\$ 33,788
Industrial Waste Charges	2,745	2,160
Contract Revenue	1,235	1,242
Agricultural and Recycled Water Sales	492	603
Total Operating Revenue	38,615	37,793
Ad Valorem Tax Revenue	2,285	2,723
Interest	874	400
Total Non-Operating Revenue	3,159	3,123
Transfers from Designated Funds	1,138	22,480
Transfers from Restricted Funds	919	83
Total Transfers In	2,056	22,563
Total Sources of Funds	\$ 43,830	\$ 63,478
Use of Funds		
Joint Administration Operations	\$ 4,348	\$ 4,441
Sewer System Operations	690	877
Treatment Plant Operations	14,888	17,059
Other Operational Expenditures	125	126
Operations and Maintenance Expense	20,052	22,503
Joint Administration Capital	628	856
Sewer System Capital	4,400	11,440
Treatment Plant Capital	6,800	1,600
Capital Expense	11,828	13,896
Bond Repayment	16,282	16,731
Debt Service	16,282	16,731
Total Use of Funds	\$ 48,161	\$ 53,130
Ending Balance	\$ 30,611	\$ 26,346

(1) The Adopted FY 23-24 Budget is presented as adopted by the Board in 2023. The ending balance reflects the estimate at that time, and therefore may not match the current estimated starting balance for the Proposed FY 24-25 Budget.

**County Sanitation District No. 14 of Los Angeles County
Capital Project Wastewater Budget (\$ in thousands)**

Project Name	Description	FY24-25 Budget	Estimated Completion	Total Budget (1)
Trunk A Sewer Rehabilitation	Rehabilitation of corroded sewer	5,200	06-30-2026	6,600
Avenue H Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	4,560	06-30-2025	4,900
Trunk E Sewer Rehabilitation	Rehabilitation of corroded sewer	1,680	06-30-2025	2,100
	Sewer System Total	<u>11,440</u>		
Lancaster WRP - RAS Pump Station Retrofit	Retrofit to aging pump station	700	12-31-2025	1,000
Lancaster WRP Power Distribution System Modifications	Electrical infrastructure improvements	350	06-30-2025	8,600
Lancaster WRP Laboratory	Improvements to laboratory facilities	350	06-30-2026	350
Lancaster WRP Miscellaneous Maintenance and E&I Capital Projects	Contingency funding for infrastructure improvements	100	12-31-2032	2,640
Lancaster WRP Maintenance Building	Improvements to maintenance facilities	50	12-31-2024	1,200
Lancaster WRP Primary Sludge Pumps Replacement	Improvements to primary sludge system	50	06-30-3025	500
	Treatment Plants Total	<u>1,600</u>		
	Total Capital Projects	<u><u>13,040</u></u>		

(1) Includes past, present, and future amounts

**County Sanitation District No. 14 of Los Angeles County
Reserve Funds Proposed Budget (\$ in thousands)
Fiscal Year 2024-25**

	Unrestricted	Designated				Restricted	Total
	Operating	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Rate Stabilization	Capital Improvement	
Starting Balance	\$ 15,997	496	51,013	5,659	8,400	81	81,646
Operating Revenue	37,793	-	-	-	-	-	37,793
Non-Operating Revenue	3,123	12	1,275	141	210	2	4,765
Transfers In	22,563	1	-	1,541	-	-	24,105
Operations and Maintenance Expense	22,503	-	-	-	-	-	22,503
Capital Expense	13,896	-	-	-	-	-	13,896
Debt Service	16,731	-	-	-	-	-	16,731
Transfers Out	-	-	24,022	-	-	83	24,105
Ending Balance	26,346	509	28,267	7,341	8,610	-	71,073

**County Sanitation District No. 14 of Los Angeles County
Wastewater Budget Rate and Other Information Summary
Fiscal Year 2024-25**

	<u>Adopted 2023-24</u>	<u>Proposed 2024-25</u>
Service Charge Rate (\$ per Sewage Unit)	487.88	487.88
Industrial Waste (Surcharge) Rates		
Flow (\$ per MGY)	3,232.00	3,232.00
COD (\$ per 1000 lbs)	363.80	363.80
SS (\$ per 1000 lbs)	878.20	878.20
Peak Flow (\$ per gpm)	621.60	621.60
Short Form Rate (\$ per million gallon per year)	7,190.00	7,190.00
Liquid Waste Disposal (\$ per 100 gallon)	13.70	13.70
Total Connection Fee Rate (\$ per Capacity Unit)	3,175.52	3,175.52
Projected Sewage Units		
Residential/Commercial	69,981	69,254
Industrial Waste	2,528	2,086
Industrial Waste Contract	69	69
Contract In	85	85
Total Served Sewage Units	<u>72,662</u>	<u>71,493</u>

Sanitation Districts of Los Angeles County

Wastewater Budget Explanation and Glossary of Terms

Fiscal Year 2024-25

INTRODUCTION

The budget package for each District consists of the following sections: Note that some sections may not apply for certain Districts.

- **Operating Fund Wastewater Budget:** Details of the sources and uses of funds for the Operating Fund, which is the only Unrestricted Reserve fund as described in the District’s wastewater reserve policy. The budget for the upcoming fiscal year is compared to the final adopted budget for the current fiscal year.
- **Proposed Capital Projects:** Shows major capital projects budgeted expenditures for the fiscal year. Note this section may be omitted from the preliminary budget package or if a District has no major capital projects.
- **Designated and Restricted Reserve Budget:** Provides beginning and ending balances of each category of reserves along with major inflows to and outflows from that reserve.
- **Rate and Other Information Summary:** Shows current and budgeted rates for the various user fees; summary of projected sewage units; and other metrics.

TERMS USED IN THE BUDGET

Below are explanations of budget line items and other terms used in the budgets. *Note that some terms may not apply for certain Districts.*

Ad Valorem Taxes Revenue	The District’s share of Ad Valorem (property) taxes paid by property owners in the District.
Agricultural and Recycled Water Sales Revenue	Sales of reclaimed water.
Bond Proceeds	Funds received from the issuance of bonds.
Bond Repayment	Interest and principal payments toward bond debt.
Capital Payments by Districts	Payments received by Joint Outfall System Districts to be used toward Joint Outfall system’s capital expenditures.
Composting Facility Capital Expenditures	Capital expenditures related to upgrade, repair, or expansion of composting facilities.
Composting Facility Operations and Maintenance Expenditures	Expenditures related to operating and maintaining composting facilities.
Contract Disposal Capital Expenditures	Capital expenditures related to conveyance and treatment of wastewater performed by another entity.

Contract Disposal Operations and Maintenance Expenditures	Expenditures related to the operation and maintenance for conveyance and treatment of wastewater performed by another entity.
Contract Revenue	Commodity and energy revenue; leases; and other similar sources of revenue.
District Sewer System Capital Expenditures	Capital expenditures related to rehabilitation or expansion of the District's sewers and pumping plants.
District's Sewer System Operations Expenditures	Expenditures related to operating and maintaining the District's sewers and pumping plants.
Field Office Capital Expenditures	Capital expenditures related to upgrade, repair, or expansion of field offices.
Grant Revenue	Grant proceeds received toward capital projects, primarily state and/or federal grants.
Industrial Waste Revenue	Fees paid by large industrial users of the District's wastewater system.
Interest Revenue	Interest generated by District's Reserves.
Joint Administration Capital Expenditures	The District's share of Joint Capital Expenses minus Joint Capital Revenues.
Joint Administration Operations Expenditures	The District's share of Joint Administration Operating Expenditures less any operational or non-operational Joint Administration Revenues.
Joint Outfall Capital Expenditures	The District's share of the Joint Outfall system capital payment.
Joint Outfall Operations Expenditures	The District's share of Joint Outfall System Operating Expenditures less any operational or non-operational Joint Outfall System Revenues.
Loan Proceeds	Funds received from loans taken out to finance capital projects, primarily State Revolving Fund Clean Water Loans.
Loan Repayment	Interest and principal payments toward loans, primarily State Revolving Fund Clean Water Loans.
Operating Fund Ending Balance	Projected balance in the Operating Fund as of June 30 at the end of the fiscal year shown.
Operating Fund Starting Balance	Projected cash balance in the Operating Fund as of July 1 at the beginning of the fiscal year shown.

Operating Payments by Districts	Payments received by Joint Outfall System Districts to be used for Joint Outfall system’s net operating expenditures.
Other Capital Expenditures	Capital expenditures not related to District’s sewers, treatment plants, composing facilities, field offices, or contract disposal.
Other Operational Expenditures	The District’s operational expenditures that are not directly related to the District’s facilities, such as insurance, annexations, and certain regulatory work.
Service Charge Revenue	Fees paid by residential, commercial, and small industrial users of the District’s wastewater system. These fees are generally collected on the property tax bill as a separate line item.
Total Served Sewage Units	Total number of Sewage Units (single family home equivalent dischargers) that are served by treatment plants owned by the Districts.
Transfers from Designated Funds	Funds transferred from Designated Funds when projected operating reserve balance is below target; these funds are to be used toward operating expenditures.
Transfers from Districts	Payments received from Joint Outfall System Districts to fund the Joint Outfall reserves per June 1, 2022, Joint Outfall Agreement.
Transfers from Restricted Funds	Funds transferred from Restricted Funds to be used toward capital expenditures.
Transfers to Designated Reserves	Surplus funds at the end of the fiscal year not required for operating or cash-flow purposes that are transferred to designated reserves. Designated reserves are primarily used to help stabilize future rates and to set aside funds for future capital projects.
Transfers to Joint Outfall System	Individual District’s contribution to the Joint Outfall System reserves per June 1, 2022, Joint Outfall Agreement.
Treatment Plant Capital Expenditures	Capital expenditures related to upgrade, repair, or expansion of treatment plants.
Treatment Plant Operations Expenditures	Expenditures related to operating and maintaining treatment plants.