

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 2

To be held in person and via teleconference per Brown Act, Section 54953(b)&(c), at the:

OFFICE OF THE DISTRICT
1955 Workman Mill Road
Whittier, CA 90601

and

VERNON CITY HALL*
Conference Room I
4305 Sante Fe Avenue
Vernon, CA 90058

For the public to join the meeting virtually, click <https://us02web.zoom.us/j/8091438308> or enter the Meeting ID 809 143 8308 into the Zoom app on your smartphone or computer. Alternatively, you may join by phone by calling (669) 900-9128 and entering the Meeting ID. The meeting is not required to be broadcast via Zoom, but as a courtesy for public attendance. You may find further information at: <http://www.lacsd.org/agendas>

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY	May 8, 2024	At 1:30 P.M.
Governing Body	Director	Alternate
ALHAMBRA	MAZA	PEREZ
ARTESIA	LIMA	TAJ
BELL	GALLARDO	SALEH
BELL GARDENS	G. GOMEZ	BARCENA
BELLFLOWER	KOOPS	DUNTON
CERRITOS	SOLANKI	BARROWS
COMMERCE	ARGUMEDO	ALTAMIRANO
COMPTON	SHARIF	-----
DOWNEY	TRUJILLO	SOSA
LONG BEACH	RICHARDSON	SARO
LOS ANGELES CITY	KREKORIAN	MC OSKER
MONTEBELLO	PERALTA	MELENDEZ
MONTEREY PARK	WONG	-----
NORWALK	RIOS	RAMIREZ
PARAMOUNT	DELGADILLO	AGUAYO
PICO RIVERA	LARA	CAMACHO
SAN GABRIEL	J. WU	DING
SOUTH GATE	HURTADO	DAVILA
VERNON	LARIOS*	MERLO
WHITTIER	VINATIERI	WARNER (Chairperson)
LOS ANGELES COUNTY	HORVATH	SOLIS

CONSENT AGENDA

1. Public Comment
2. Receive and Order Filed as Follows:
 - (a) Certificate of Mr. Naresh Solanki, Presiding Officer of the City of Cerritos
 - (b) Action Appointing Mr. Bruce Barrows as Alternate Director of the City of Cerritos
 - (c) Action Appointing Ms. Isabel Aguayo as Alternate Director of the City of Paramount
3. Approve Minutes of Regular Meeting Held April 24, 2024
4. Approve February 2024 Expenses in Amount of \$68,800,956

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 either the Joint Administration Agreement or the Joint Outfall Agreement. These Agreements provide for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all of the shared facilities for all the signatory Districts, along with the methodology for determining the proportionate costs for each participating District. District No. 2 also acts as the Administrative District for the Solid Waste System expenses which are managed pursuant to the Solid Waste Management System Agreement, the Los Angeles County Refuse Disposal Trust Fund Agreement, and a series of Joint Powers Agreements. District No. 2 also acts as the Administrative District for Stormwater Management expenses

4. Contd.

the Districts incur, and are later reimbursed for, in assisting their member cities and unincorporated Los Angeles County address stormwater compliance issues. 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 Principles of commitment to fiscal responsibility and prudent financial stewardship.

	District No. 2	Joint Administration	Technical Support	Joint Outfall System	Solid Waste System	Stormwater
Operations & Maintenance	<u>\$12,088</u>	\$3,763,190	\$5,153,356	\$25,076,164	\$10,159,750	<u>\$2,485</u>
Capital Allocated		<u>235,895</u>	<u>30,932</u>	13,286,098	480,110	
Expenses:						
Joint Administration				4,438,249	1,672,009	
Joint Outfall Technical Support				<u>4,210,183</u>	<u>280,447</u>	
Total Expenses:	<u>\$12,088</u>	<u>\$3,999,085</u>	<u>\$5,184,288</u>	<u>\$47,010,694</u>	<u>\$12,592,316</u>	<u>\$2,485</u>

5. Accept Contract No. 5495 and Order Final Payment to Mladen Buntich Construction Co., Inc., for Construction of *San Jose Creek Water Reclamation Plant Influent Sewer Rehabilitation* (Project); Resulting in Total Contract Amount of \$3,157,634.55

Summary: This Project consisted of the rehabilitation of approximately 616 feet of 78-inch-diameter corroded concrete pipe at the San Jose Creek Water Reclamation Plant. Three change orders totaling \$853,394.55 were approved for this Project.

REGULAR AGENDA

1. Re: Contract with Insituform Technologies, LLC, in Amount of Approximately \$4,933,158, for Construction of *District 15 Trunk Sewers Group 1 Rehabilitation* (Project)

- (a) Report on Bids and Award and Order Executed Contract
- (b) Order Staff to Review Insurance and Surety Bonds for Performance and Payment and, if Sufficient, Order Secretary to Execute Contract Evidencing Approval of Bonds and Insurance

Summary: The Project will consist of rehabilitation of approximately 13,882 feet of existing 12- to 24-inch-diameter corroded concrete and cast-iron pipe, cracked vitrified clay pipe, and appurtenant structures that were constructed in the 1940s. The work is located within the cities of Arcadia, El Monte, Monrovia, Rosemead, San Gabriel, South El Monte, and Temple City and unincorporated Los Angeles County as shown on the attached map. The bid summary/recommendation to award is attached. Staff has determined that the Project is exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Sections 21080(b)(4) and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Section 15301. This item is consistent with the Districts’ Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

2. Re: Contract with Charles King Company, in Amount of Approximately \$6,683,285, for Construction of *California Avenue Extension Trunk Sewer Rehabilitation Phase II* (Project)

- (a) Report on Bids and Award and Order Executed Contract
- (b) Order Staff to Review Insurance and Surety Bonds for Performance and Payment and, if Sufficient, Order Secretary to Execute Contract Evidencing Approval of Bonds and Insurance

Summary: The Project will consist of rehabilitation of approximately 5,107 feet of 24- and 48-inch-diameter corroded concrete pipe and appurtenant structures that were constructed in 1948. The work is located in the City of Lynwood as shown on the attached map. The bid summary/recommendation to award is attached. Staff has determined that the Project is exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21080(b)(4) and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Section 15301. This

2. Contd.

item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

3. Authorize Issuance of Purchase Orders as Follows:

- (a) To Larry Walker Associates, Inc., (LWA) in Amount of Approximately \$200,000 to Provide Technical Support Services for Compliance with Effluent Temperature Limitations

Summary: The Los Angeles Regional Water Quality Control Board (Regional Board) recently lowered temperature limits in surface water discharge permits issued to Districts' Water Reclamation Plants (WRPs). Because the WRPs cannot immediately comply with the new requirements, the Regional Board established a 10-year compliance schedule that allows the Districts to conduct temperature studies and, if appropriate, propose new site-specific temperature objectives that are protective of receiving waters. In 2022, through a competitive request for proposals process, the Board of Directors authorized issuance of two purchase orders to LWA to conduct technical studies within the San Gabriel River and Rio Hondo watersheds to assess the effects of waterbody temperature on aquatic life. It is now necessary to evaluate potential regulatory options to modify temperature limitations in the Districts' discharge permits. Under this purchase order, LWA would assist the Districts with identifying alternative regulatory compliance options and support discussions with the Regional Board. LWA is uniquely qualified to assist in this effort given their in-depth knowledge of these receiving waters, as well as previous experience with successful implementation of alternative regulatory compliance approaches that have been previously approved by the Regional Board. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

- (b) To American Process Group, LLC, (APG) in Amount of Approximately \$685,000 for Digester No. 14 Cleaning at A.K. Warren Water Resource Facility (Warren Facility)

Summary: The Warren Facility has 24 digesters that historically have been on an eight-year cleaning cycle, with approximately three digesters cleaned per year. Meeting this cleaning interval is essential in order to inspect the condition of the digester and for preventative maintenance and repair of its interior and other appurtenant equipment. Over the past five years, the Warren Facility has experienced a greater volume of flushable wipes and materials entering the digesters, increasing the time to clean them to the point where only two digesters are being cleaned per year. Digester cleaning services are necessary to supplement staff resources in order to maintain the digester cleaning and preventative maintenance/repair schedules. APG was the only vendor to provide a cost proposal, given the size and scale of the cleaning operations involved. Staff found their proposal to be in line with the historic costs of digester cleaning utilizing Districts' forces. Staff has determined that the activities described are not subject to the provisions of California Environmental Quality Act (CEQA). The activities described herein do not constitute a "Project" as that term is defined in 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 Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

4. Authorize Extension of Purchase Orders as Follows:

- (a) To Vestis in Amount of Approximately \$300,000 to Furnish and Maintain Work Uniforms and Other Work Clothing for a One-Year Period

Summary: In 2020, Ameripride Uniform Services (Ameripride) was awarded a three-year purchase order to provide uniform rental and laundry service for Districts' workers after a competitive proposal process. The agreement includes providing work clothing for over 1,000 workers at various locations, including work shirts, pants, coveralls, and laboratory coats. Since the selection, Ameripride merged with Aramark Uniform Services, and is now known as Vestis. Vestis has provided adequate service to Districts' facilities for the past year. Staff recommends that the purchase order be extended one additional year since Vestis has agreed to hold existing pricing despite high inflation and associated increased labor and material costs. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

- (b) To SNF Polydyne, Inc., (Polydyne) in Amount of Approximately \$11,962,500 to Furnish and Deliver Cationic Emulsion Polymer at A.K. Warren Water Resource Facility (Warren Facility), Lancaster Water Reclamation Plant (WRP), and Palmdale WRP

Summary: In April 2023, the Board authorized issuance of a purchase order to Polydyne, the qualifying bidder in a competitive bid process, to furnish and deliver cationic emulsion polymer used for biosolids

4. Contd.

dewatering at the Warren Facility and Lancaster and Palmdale WRPs for a one-year period with the option of three 1-year extensions. In accordance with the specifications, Polydyne has offered to extend the agreement at no price increase for the first-year extension. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

5. Confirm Issuance of Purchase Order to Spiniello Infrastructure West Inc. (Spiniello) in Amount of \$274,220 for Emergency Cleaning of *Joint Outfall G - Unit 3 Siphon Between MHs G 0037 and G 0038*

Summary: Districts maintenance staff found that the sewer siphon between manholes G 0037 and G 0038 was severely blocked with heavy debris. After multiple attempts to clear the blockage, it was determined that a contractor would be needed on an urgent basis to bypass flow and clean the sewer with specialized equipment. Spiniello was selected to perform this emergency cleaning work due to their qualifications, immediate availability, and their familiarity with this type of sewer cleaning work. The sewer cleaning was completed on a time and material basis on January 30, 2024. Final invoicing has been received and reviewed by staff and found acceptable. Staff has determined that the activities described herein are exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21080(b)(4) and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15301. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

6. Approve Change Order No. 3 to Contract No. 5451 with Lucas Builders, Inc., for Construction of *District 21 Interceptor Sewer Rehabilitation Phase 1* (Project); Resulting in Payment of \$1,248,023.51 for Extra Work

Summary: As part of the Project, the contractor was required to rehabilitate a 54-inch-diameter corroded concrete pipe sewer, located adjacent to Union Pacific Railroad (UPRR) right-of-way, by encasing some sections with concrete and by slip lining other sections with fiberglass reinforced liner pipe. After the design of the Project was complete and just prior to construction, it was discovered that UPRR had installed temporary railroad tracks alongside the sewer to facilitate construction of their Fullerton Road Grade Separation Project. Due to the close proximity of the temporary railroad tracks to the location of the sewer to be rehabilitated, UPRR required that the excavation shoring methods be changed from simple trench boxes to a much more substantial solid sheet shoring system. The contractor was therefore directed to change their excavation shoring system at three separate locations to prevent any lateral movement of the railroad tracks. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

7. Re: A.K. Warren Water Resource Facility (Warren Facility) Biosolids Management

- (a) Confirm Purchase Order to Burrtec Waste Industries, Inc., (Burrtec) in Amount of Approximately \$500,000 for Biosolids Disposal at Salton City Landfill (SCL)
- (b) Approve and Order Executed [*Agreement for the Removal, Transportation and Disposal of Biosolids*](#) (Agreement) with Ecology Auto Parts, Inc., (Ecology) at SCL

Summary: Biosolids are a residual product of the wastewater treatment process. The majority of the biosolids generated by the Districts' wastewater facilities are produced at the Warren Facility. These biosolids are managed through a diversified portfolio of private contractors and Districts' composting facilities to cost effectively ensure reliability and diversity of reuse options, vendors, haulers, and geographic locations. In 2023, a Request for Proposals for biosolids management services was released, and three proposals from other vendors were recommended for award. A proposal submitted by Ecology which includes biosolids transportation and disposal at the SCL was reviewed by staff, and negotiations have been ongoing since that time. While negotiating a long-term contract for disposal at SCL, biosolids from the Warren Facility have been disposed at the facility on an interim basis. Staff recommends that a purchase order be issued to Burrtec for payment of these interim disposal fees. The proposed contract with Ecology would result in a reduction of the fee for biosolids transportation and disposal at the SCL and the addition of a requirement for Ecology's trucks to fuel at the Warren Facility Compressed Natural Gas (CNG) fueling facility, which would result in additional revenue to the Districts. The proposed Agreement includes a two-year term, with two optional one-year extensions. Staff has determined that the activities described herein are exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Sections 15301. This item is consistent with the Districts' Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

8. Approve Action by District No. 3 to Approve and Order Executed [*First Amendment to Lease Agreement*](#) (Amendment) with Roderick L. Dodd d/b/a Organic Harvest Gardens (OHG) for Districts' Property in Long Beach

Summary: The Districts owns approximately two acres of land (Property) in the City of Long Beach, near the Los Angeles River and 91 Freeway, on which it operates and maintains an odor control facility. The Districts does not have an immediate need for approximately 0.7 acres at the north end of the Property. In 2019, the Districts leased this area to OHG for establishment of an urban mini farm. The lease requires payment of rent, which is currently \$176 per month. OHG has requested that the Districts eliminate the rent payment due to the minimal revenue its operation generates. The primary consideration the Districts receive under the lease is the security and deterrence that OHG provides in occupying this isolated property, which was subject to trespassing and trash dumping before the OHG lease. Billing and processing of the nominal rent proceeds exceeds the rental income. As such, staff recommends proceeding with OHG's request, and the proposed Amendment would eliminate the monthly rent effective March 1, 2024. Staff has determined that approval of the Amendment is exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21084 and Title 14 of the California Code of Regulation ("CEQA Guidelines") Section 15301. As fee title owner of the Property, District No. 3 must approve the Amendment, and District No. 2, as the administrative District, must approve the action by District No. 3. This item is consistent with the Districts' Guiding Principle to maximize use of our assets and resources (recycled water, recyclables, and energy).

9. Introduce *An Ordinance Prescribing Fee and Charge Rates for Solid Waste Management Activities at the Puente Hills Materials Recovery Facility (MRF) and the South Gate Transfer Station (SGTS)* and Waive Reading of Ordinance in its Entirety

Summary: A letter describing the recommended Board action and a copy of the proposed Ordinance accompanies the agenda. The Ordinance would increase the municipal solid and inert waste (MSW) rate at the Puente Hills MRF from \$93.99 per ton to \$99.16 per ton, and the MSW rate at the SGTS would increase from \$101.04 per ton to \$106.60 per ton, effective July 1, 2024. Changes to the rates for hard-to-handle, bulky items and pull offs, are also proposed at both facilities. The proposed rate increases are necessary to offset increasing operational and capital costs. 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.

10. Re: Wastewater Revenue Program

- (a) Hold Public Hearing on Service Charge Report
(b) Adopt Service Charge Report

Summary: Holding a public hearing and then adopting 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 \$15.75 per month (\$189 per year). The rate for fiscal year 2024-25, as previously adopted by the Board of Directors, is \$16.08 per month (\$193 per year). A letter discussing this matter, together with the Service Charge Report, the preliminary budget, and a budget explanation and glossary, accompanies 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-term and long-term needs to minimize the need for significant rate increases.

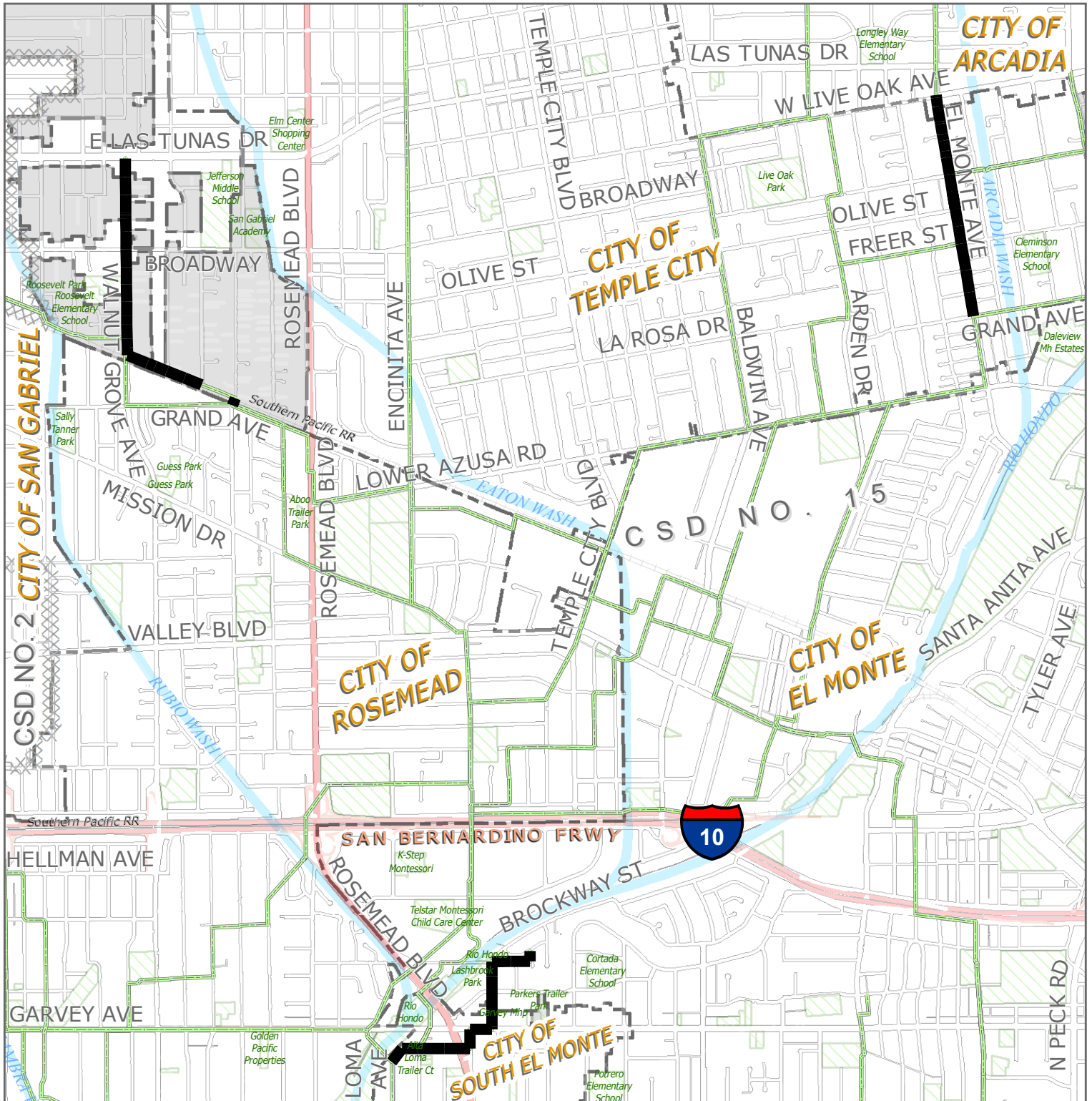
Adjourn



- 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.

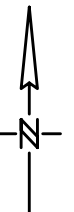
DISTRICT 15 TRUNK SEWERS GROUP 1 REHABILITATION



LOS ANGELES COUNTY
SANITATION DISTRICTS
Converting Waste Into Resources



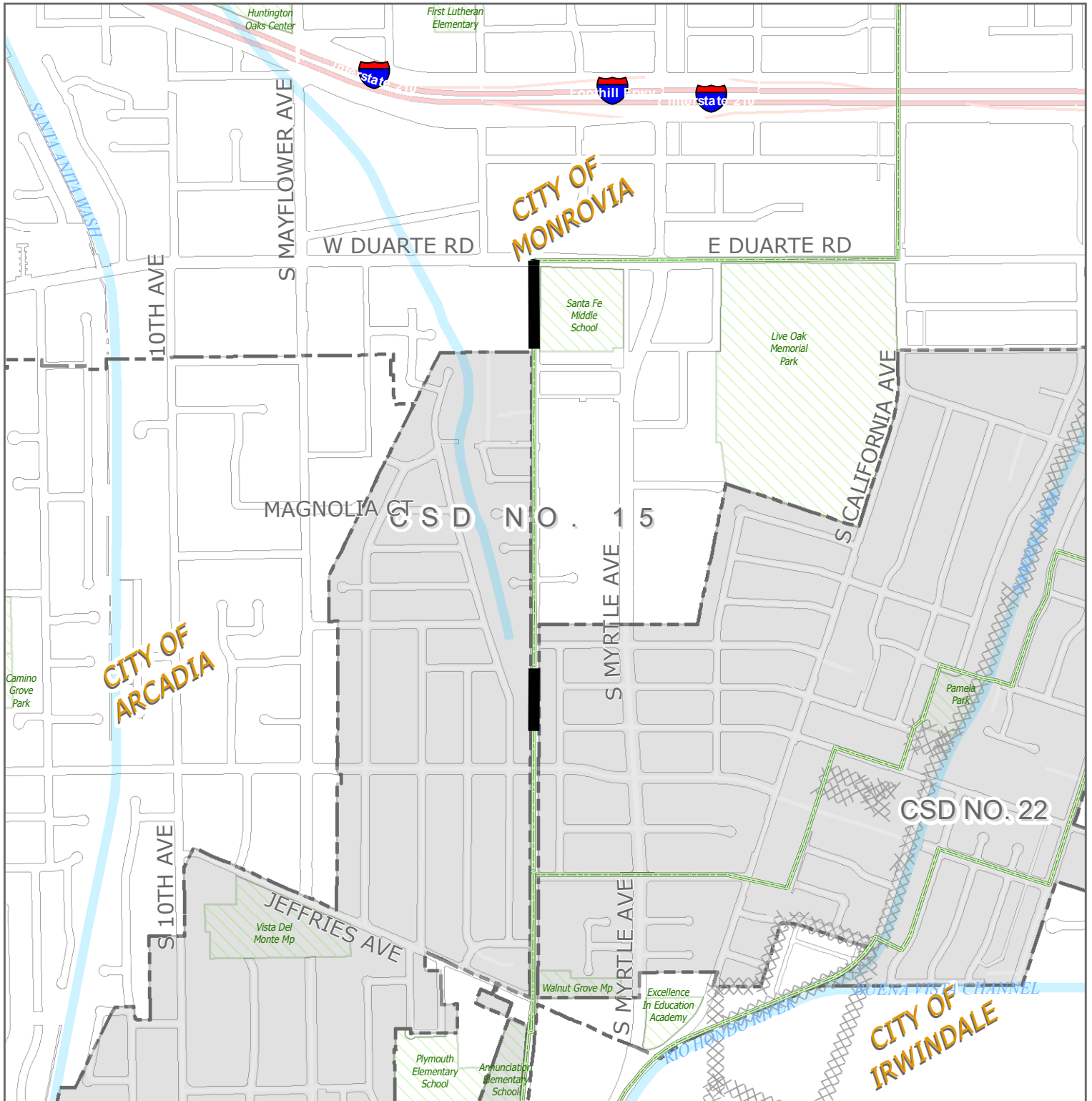
-  PROJECT ROUTE
 -  UNINCORPORATED AREA OF LOS ANGELES COUNTY
- Agenda Item No. 1(a)



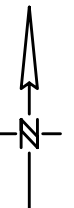
DISTRICT 15 TRUNK SEWERS GROUP 1 REHABILITATION



LOS ANGELES COUNTY
SANITATION DISTRICTS
Converting Waste Into Resources



-  PROJECT ROUTE
-  UNINCORPORATED AREA OF LOS ANGELES COUNTY



TO: BOARD OF DIRECTORS OF COUNTY SANITATION
DISTRICT NO. 02 OF LOS ANGELES COUNTY

RE: AGENDA ITEM NO. R-1(a)

FOR BOARD MEETING May 8, 2024

BIDS were received at the District Office on February 15, 2024

FOR DISTRICT 15 TRUNK SEWERS GROUP 1 REHABILITATION

No. of Bids Received: 1

<u>BIDDER</u>	<u>TOTAL BID</u>
Insituform Technologies, LLC	<u>\$4,933,158.00</u>

RECOMMENDATION:

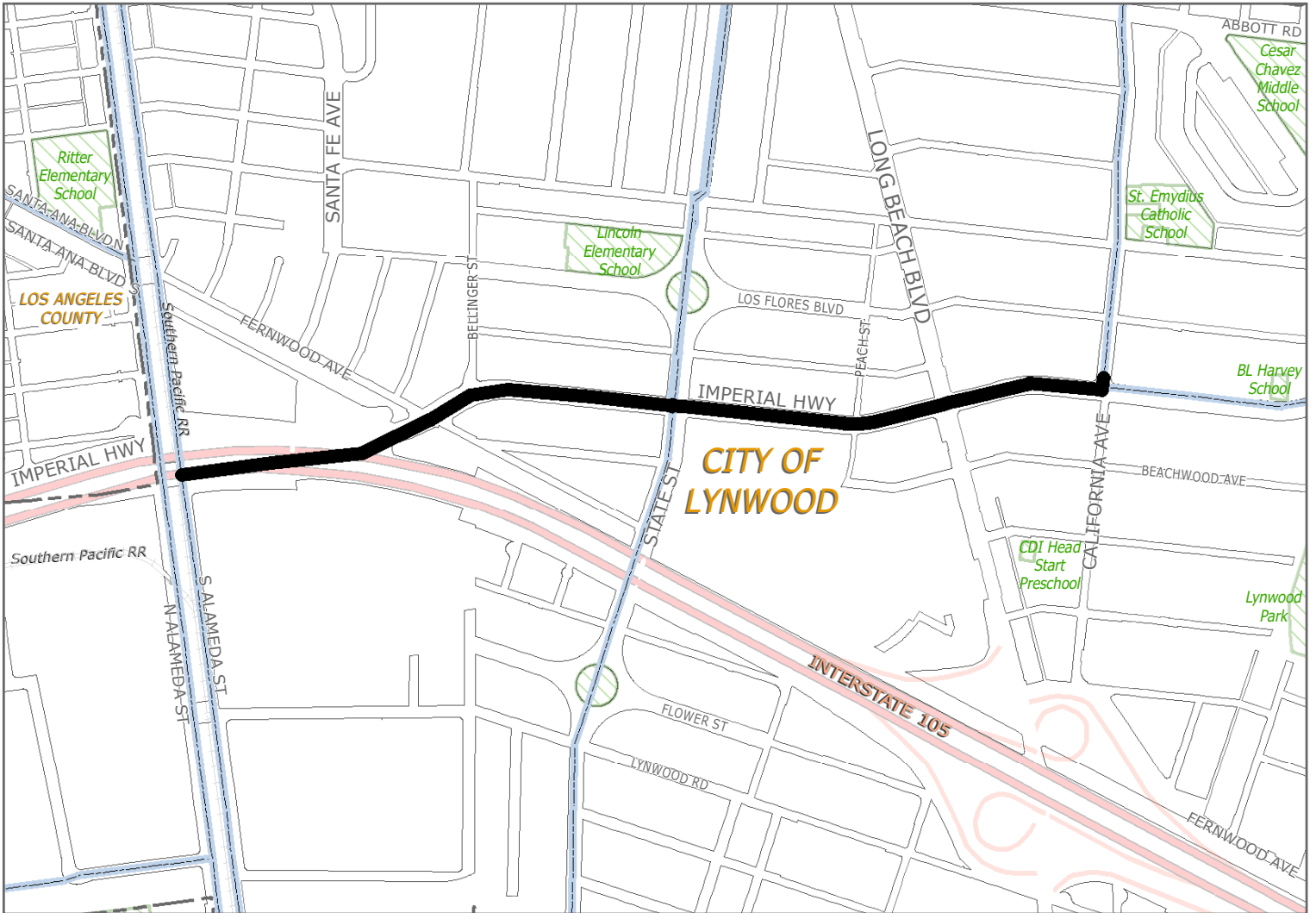
Award contract to Insituform Technologies, LLC, sole bidder, in the amount of approximately \$4,933,158.00.

Revised Engineer's Estimate: \$5,200,000.00

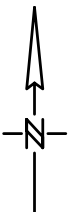


Robert C. Ferrante
Chief Engineer and
General Manager

CALIFORNIA AVENUE EXTENSION TRUNK SEWER REHABILITATION PHASE II



 PROJECT ROUTE



TO: BOARD OF DIRECTORS OF COUNTY SANITATION
DISTRICT NO. 2 OF LOS ANGELES COUNTY

RE: AGENDA ITEM NO. R-2(a)

FOR BOARD MEETING May 8, 2024

BIDS were received at the District Office on April 2, 2024

FOR CALIFORNIA AVENUE EXTENSION TRUNK SEWER REHABILITATION PHASE II

No. of Bids Received: 4

<u>BIDDER</u>	<u>TOTAL BID</u>
Charles King Company	\$6,683,285.00
Insituform Technologies, LLC	\$6,704,380.00
SAK Construction, LLC	\$6,829,775.00
Spiniello Infrastructure West, Inc	\$9,834,600.00

RECOMMENDATION:

Award contract to Charles King Company, low bidder, in the amount of approximately \$6,683,285.00.

Engineer's Estimate: \$7,000,000.00



Robert C. Ferrante
Chief Engineer and
General Manager



May 3, 2024

Board of Directors
County Sanitation Districts Nos. 1, 2, 3, 5,
8, 15, 16, 17, 18, 19, 21, 23, 29, and
South Bay Cities Sanitation District

Dear Directors:

**Rate Increase for Puente Hills Materials Recovery
Facility (MRF) and South Gate Transfer Station (SGTS)**

The agenda for the May 8, 2024, meeting of the Board of Directors of Sanitation District No. 2 includes an item to introduce a new rate Ordinance (Ordinance) for the Puente Hills MRF and SGTS. The proposed Ordinance would increase the Municipal Solid and Inert Waste (MSW) rate at the Puente Hills MRF from \$93.99 per ton to \$99.16 per ton and at SGTS from \$101.04 per ton to \$106.60 per ton. Changes to the rates for hard-to-handle, bulky items, and pull offs are also proposed at both facilities. The proposed Ordinance is attached to the agenda. If approved, the new Ordinance would take effect July 1, 2024.

The proposed rate increases are necessary to offset increasing operational and capital costs. A schedule of the current and proposed rates for all waste types is attached.

Should any Director have questions regarding the new rates, please contact me at extension 1501 or Mr. Mark Revilla, Solid Waste Management Department Head, at extension 2415.

Very truly yours,

Robert C. Ferrante

RCF:gc
Attachment

**PUENTE HILLS MATERIALS RECOVERY FACILITY
RECOMMENDED MSW AND RECYCLABLES RATES**

	CURRENT RATE	RATE EFFECTIVE JULY 1, 2024
Municipal Solid and Inert Waste (1-ton minimum charge)	\$93.99 per ton	\$99.16 per ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	\$108.99 per ton	\$114.16 per ton
Segregated Uncontaminated Green Waste (1-ton minimum charge)	\$89.37 per ton	\$94.29 per ton
Food Waste (1-ton minimum charge)	\$91.25 per ton	\$96.26 per ton
Food Waste/Green Waste Program (1-ton minimum charge)	\$117.67 per ton	\$124.14 per ton
Pull-Offs	\$57.66 per load	\$60.83 per load

Notes:

- 1.) Uncovered Loads Capable of Producing Litter: \$5.06 per ton or \$5.06 per load surcharge.
- 2.) All rates include the following state, county, and local fees and taxes (fees expressed on a per ton basis do not apply to Green Waste, Food Waste, and Pull-Offs):
 - a) California Integrated Solid Waste Management Fee: \$1.40 per ton
 - b) Los Angeles County Solid Waste Management Fee: \$1.50 per ton
 - c) Los Angeles County Department of Health Services Regulatory Service Fee: \$0.41 per ton
- 3.) Rates for materials that benefit the operation of the facility or that promote solid waste management alternatives are subject to change without notice.
- 4.) All Food Waste placed with Green Waste must be in plastic bags.

**SOUTH GATE TRANSFER STATION
RECOMMENDED MSW AND RECYCLABLES RATES**

	CURRENT RATE	RATE EFFECTIVE JULY 1, 2023
Municipal Solid and Inert Waste (1-ton minimum charge)	\$101.04 per ton	\$106.60 per ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	\$116.04 per ton	\$121.60 per ton
Pull-Offs	\$57.66 per load	\$60.83 per load

Notes:

- 1.) Uncovered Loads Capable of Producing Litter: \$5.06 per ton or \$5.06 per load surcharge.
- 2.) All rates include the following state, county, and local fees and taxes (fees expressed on a per ton basis do not apply to Pull-Offs):
 - a) California Integrated Solid Waste Management Fee: \$1.40 per ton
 - b) Los Angeles County Solid Waste Management Fee: \$1.50 per ton
 - c) Los Angeles County Department of Health Services Regulatory Service Fee: \$0.41 per ton

**AN ORDINANCE PRESCRIBING FEE AND CHARGE RATES
FOR SOLID WASTE MANAGEMENT ACTIVITIES
AT THE PUENTE HILLS MATERIALS RECOVERY FACILITY (MRF)
AND THE SOUTH GATE TRANSFER STATION**

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY ORDAINS AS FOLLOWS:

SECTION 1. SHORT TITLE

This Ordinance shall be known as the *Sanitation Districts System Solid Waste Rate Ordinance*.

SECTION 2. PURPOSE

The purpose of this Ordinance is to establish the fee and charge rates for the Puente Hills MRF and the South Gate Transfer Station, to provide for the issuance of agreements for the acceptance of solid waste and other waste management services, and to provide for customer credit agreements.

SECTION 3. DISPOSAL FEES AND CHARGES

The following fee and charge rates are hereby prescribed for the following facilities, effective July 1, 2024, as listed below. These rates are subject to change as described in Section 6 and Section 11:

A. Puente Hills MRF

Municipal Solid and Inert Waste (MSW) [1-ton minimum charge]	\$ 99.16 /ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	114.16 /ton
Pull-Offs	60.83 /load

B. South Gate Transfer Station

MSW (1-ton minimum charge)	\$ 106.60 /ton
Hard-to-Handle, Bulky Items (1-ton minimum charge)	121.60 /ton
Pull-Offs	60.83 /load

SECTION 4. UNCOVERED LOADS

A surcharge of \$5.06/ton, subject to a minimum charge of \$5.06, will be charged with respect to all uncovered loads capable of producing litter.

SECTION 5. RECYCLABLE MATERIALS

5.1 The Districts Chief Engineer and General Manager (Chief Engineer) may adjust any fee or charge rate for materials and services that benefit the operation of the facility, or that promote solid waste management alternatives. These materials may include, but are not restricted to, segregated shredded or unshredded organic material suitable for composting or recycling and various other recyclable materials.

5.2 The Chief Engineer shall determine the materials and services that are eligible for a rate adjustment and the amount of the rate adjustment. The Chief Engineer shall make the determination in writing, and it will be made available to members of the public on request.

- 5.3 The Chief Engineer may purchase loads of recyclable materials that have value to the District or that promote solid waste management alternatives. These materials may include, but are not restricted to: paper, cardboard, plastic containers, glass bottles, aluminum cans, scrap metal, scrap plastic, and commingled recyclables.

SECTION 6. ADJUSTMENT OF FEES AND CHARGES

- 6.1 The District's Chief Engineer may adjust the MSW rates in Section 3 from time-to-time as described in Sections 6.1.1 and 6.1.2.
- 6.1.1 *Upward* by up to five (5) percent, if the facility's Tons Received remains stable or increases averaged over any four consecutive calendar weeks. In no event will the rate exceed the District's reasonable costs of handling solid waste or increase by more than 20% in any consecutive 12 months.
- 6.1.2 *Downward* by up to five (5) percent, if the facility's Tons Received declines more than five (5) percent over any four consecutive calendar weeks, except that the MSW fee shall not be less than the MSW rate listed in Section 3.
- 6.2 For the purpose of this Section, "Tons Received" shall mean the number of tons of refuse received in a calendar week. An adjustment shall be made to the calculated Tons Received to compensate for unusual conditions such as holidays and/or interruptions to receiving or other conditions that make the Tons Received calculation not a representative average.
- 6.3 Adjustments to the Disposal Fees and Charges as a result of this Section shall be made with a minimum 21-day notice and become effective on the first day of the next calendar month. In no event will a facility's MSW rate be adjusted more than four times in any consecutive 12 months.
- 6.4 In the event of a change in the MSW rate the Hard-to-Handle, Bulky Items fees and charges rates will be set at the MSW rates plus \$15.00.

SECTION 7. SOLID WASTE MANAGEMENT SERVICES AGREEMENT

The District may enter into agreements with customers for the acceptance of agreed quantities of solid waste, recyclable materials, or other solid waste management services at the Puente Hills MRF and the South Gate Transfer Station. The agreements may establish fees and charges applicable to specific solid waste management services, including processing of commingled recyclables and dry commercial waste and commitments for delivery of agreed quantities of materials. The terms and conditions of agreements under this Section will supersede any fees and charges prescribed in Sections 3 and 6. To maintain adequate capacity for the general public, the combined committed tonnage of the waste services agreements will not exceed 50% of the combined capacity of the District's facilities.

SECTION 8. CREDIT AGREEMENTS

The Chief Engineer may offer credit agreements to solid waste facility customers for payment of fees and charges. The Chief Engineer shall establish and enforce policies for administration of credit agreements, subject to all applicable laws and regulations.

SECTION 9. COLLECTION OF FEES PURSUANT TO THE PUBLIC RESOURCES CODE

All fees and charges specified in this Ordinance include an amount necessary to cover fees required pursuant to Sections 48000 through 48008 of the Public Resources Code (imposed by the State of California under Section 48000), Sections 40900 through 41956 of the Public Resources Code (imposed by the County of Los Angeles under Section 41901), and Sections 43200 through 43610.1 of the Public Resources Code (imposed by the County of Los Angeles under Section 43213).

SECTION 10. COLLECTION OF FEES AND TAXES PURSUANT TO LOS ANGELES COUNTY ORDINANCES

All fees and charges specified in this Ordinance include an amount necessary to collect fees imposed by the County of Los Angeles pursuant to Los Angeles County Ordinances Nos. 2008-0056 and 2011-0042.

SECTION 11. ADJUSTMENTS FOR GOVERNMENTAL FEES AND CHARGES

Notwithstanding the requirements listed in Section 6, the Chief Engineer may increase or decrease, as appropriate and at any time, any fees and charges specified in Sections 3, 4, or 5 of this Ordinance by an amount estimated to equal any revision in the fees or taxes specified in Sections 9 and 10 of this Ordinance, or by an amount estimated to equal any other mandatory fees or taxes imposed by federal, state, or local government which must be paid by County Sanitation District No. 2 of Los Angeles County as operator of the facilities listed in Section 3.

SECTION 12. REPORTING

The Chief Engineer will make an annual presentation to the Board of Directors regarding the fees and charges established in this Ordinance. If any adjustments, as described in **Section 6**, are made after the last presentation to the Board of Directors, the Chief Engineer will report on the adjustments at the next regular meeting of the Board of Directors.

SECTION 13. SUPERSESION

This Ordinance supersedes the *Sanitation Districts System Solid Waste Rate Ordinance* adopted July 1, 2023, establishing fees or charges relating to the Puente Hills MRF and the South Gate Transfer Station.

SECTION 14. EFFECTIVE DATE

This Ordinance shall become effective on July 1, 2024.

ATTEST:

Clerk, Board of Directors
County Sanitation District No. 2
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 2
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County on _____, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Secretary, Board of Directors
County Sanitation District No. 2
of Los Angeles County



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. 2 SERVICE CHARGE REPORT FOR FISCAL YEAR 2024-25

INTRODUCTION

County Sanitation District No. 2 of Los Angeles County encompasses all or portions of the cities of Alhambra, Artesia, Bell, Bellflower, Bell Gardens, Cerritos, Commerce, Compton, Downey, Long Beach, Los Angeles, Montebello, Monterey Park, Norwalk, Paramount, Pico Rivera, San Gabriel, South Gate, Vernon, and Whittier and unincorporated Los Angeles County.

District No. 2 is one of seventeen (17) contiguous sanitation districts within the urbanized Los Angeles Basin signatory to the Amended Joint Outfall Agreement. These Districts, known as the Joint Outfall Districts, have formed a regional wastewater management system known as the Joint Outfall System. This regional system provides for operation and maintenance of large sewers, pumping plants, inland water reclamation plants, and the Joint Water Pollution Control Plant. These services are essential to protect the public health of the people served by the system.

District No. 2, as a member of the Joint Outfall System, must provide a proportionate share of the revenue required to operate and maintain the facilities. Additionally, District No. 2 is responsible for any costs associated with the local sewers and pumping plants that are owned by District No. 2 and are solely for its benefit. 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, grants, state low-interest loans, interest income, contract revenue and reserves. Any surplus will be transferred to designated reserves to meet targeted reserve requirements.

PROPOSED SYSTEM DESCRIPTION

The supplemental revenue required under the *Master Service Charge Ordinance of County Sanitation District No. 2 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. 2 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:

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

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	=	0.3049
B	=	0.3348
C	=	0.3603

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. 2.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2024-25 is \$193 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. 2 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. 2. 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. 2. 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	1000 ft ²	25	0.23	0.09
Lumber Yard	1000 ft ²	25	0.23	0.09
Warehousing	1000 ft ²	25	0.23	0.09
Open Storage	1000 ft ²	25	0.23	0.09
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
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

<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>
COMMERCIAL				
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. 2**

000078	000079	000111	000115	000116
000117	000118	000119	000120	000121
000140	000141	000143	000146	000166
000167	000171	000194	000195	000202
000228	000373	000486	000517	000526
000532	000747	000748	000822	000827
000841	000877	000884	000885	000886
000894	000895	000901	000902	000903
000904	000905	000916	000917	000923
000924	000926	000928	000929	000930
000932	000940	000960	000964	000984
000985	000986	000996	001008	001010
001019	001032	001040	001048	001053
001058	001059	001061	001076	001079
001080	001084	001091	001097	001318
001817	001820	001822	001832	001834
001836	001839	001840	001841	001843
001846	001847	001848	001850	001851
001965	001966	001967	001971	001976
001979	001989	001997	002000	002004
002009	002013	002014	002019	002151
002244	002247	002248	002252	002254
002255	002257	002259	002263	002267
002268	002269	002271	002272	002273
002275	002277	002282	002290	002308
002315	002335	002336	002339	002350
002369	002373	002375	002524	002569
002578	002623	002624	002808	002824
002825	002867	002868	002883	002891

002892	002893	002897	002911	002946
002965	002972	002978	002985	002996
002998	003000	003005	003006	003007
003230	003231	003233	003234	003235
003236	003237	003238	003242	003243
003246	003247	003248	003249	003251
003252	003253	003261	003263	003264
003265	003266	003267	003268	003269
003271	003273	003274	003275	003276
003278	003281	003282	003283	003284
003285	003286	003289	003291	003292
003294	003297	003301	003304	003305
003307	003310	003313	003314	003319
003324	003334	003342	003347	003669
003670	003673	003676	003678	003679
003832	003879	003880	003922	003925
003926	003927	003930	003933	003963
003967	003969	003983	004979	005301
005316	005350	005496	005924	005956
006229	006232	006289	006290	006293
006294	006296	006307	006308	006309
006310	006311	006313	006314	006315
006316	006318	006319	006320	006321
006323	006324	006325	006326	006327
006328	006329	006330	006331	006332
006333	006334	006336	006337	006338
006340	006341	006342	006348	006349
006350	006351	006352	006353	006354
006355	006356	006357	006358	006359
006361	006362	006363	006364	006365
006367	006368	006370	006372	006377

006383	006384	006385	006386	006388
006391	006392	006396	006397	006399
006404	006410	006411	006435	006436
006443	006451	006457	006459	006467
006468	006480	006484	006485	006486
006487	006488	006489	006490	006491
006492	006493	006494	006495	006496
006497	006498	006500	006510	006512
006513	006514	006515	006516	006517
006518	006519	006520	006521	006522
006534	006537	006637	006638	006651
006652	006655	006656	006670	006671
006758	006764	006765	006769	006771
006772	006870	007224	007227	007256
007257	007258	007259	007260	007261
007262	007272	007273	007275	007290
007294	007300	007316	007324	007339
007340	007341	007342	007343	007344
007346	007347	007348	007349	007351
007354	007356	007357	007358	007359
007362	007367	007370	007371	007372
007373	007375	007376	007377	007379
007381	007579	007933	007934	007935
007936	007937	007942	007944	007946
007947	007948	007950	007951	007952
007953	007954	007955	007956	007957
007958	007959	007960	007961	007962
007963	007965	007966	007967	007968
007969	007971	007972	007973	007975
007976	007977	007978	007979	007980
007983	007984	007985	007986	007987

007988	007990	007991	007992	007993
007995	007996	007997	007998	008003
008010	008200	008461	008465	008467
009188	009200	009201	009213	009215
009220	009236	009417	009614	009698
009874	009881	009883	009975	009976
010207	010495	010496	010615	010717
011103	011104	011105	011106	011125
011126	011250	011271	011272	011273
011274	011275	011276	011277	011278
011280	011281	011282	011283	011284
011285	011296	011380	011976	012131
012384	012385	012460	012462	012464
012465	012681	012682	012683	012733
012734	013186	013232	013237	013242
013353	013456	013885	014358	014365
014388	014461	015189	015190	015191
015192	015461	015510	015623	015624
015698	015700	015708	015715	015721
015767	015768	016085	016086	016088
016102	016103	016104	016232	016269
016297	016318	016466	016474	016500
016751	016948	016960	016961	016979
016981				

**TABLE 3
PARCEL NUMBERS SERVED BY SANITATION DISTRICT NO. 2
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. 2 of Los Angeles County
Preliminary Operating Fund Budget (\$ in thousands)
Fiscal Year 2024-25**

	Adopted 2023-24 ⁽¹⁾	Proposed 2024-25 ^{(1) (2)}
<u>Starting Balance</u>	\$ 18,090	\$ 33,779
<u>Sources of Funds</u>		
Service Charge	\$ 41,758	\$ 42,156
Total Operating Revenue	41,758	42,156
Ad Valorem Tax Revenue	9,195	10,256
Interest	452	844
Total Non-Operating Revenue	9,647	11,100
Total Sources of Funds	\$ 51,406	\$ 53,256
<u>Use of Funds</u>		
Joint Outfall Operations	\$ 42,937	\$ 48,070
Other Operational Expenditures	164	136
Operations and Maintenance Expense	43,102	48,206
Joint Outfall Capital	7,328	3,124
Capital Expense	7,328	3,124
Total Use of Funds	\$ 50,430	\$ 51,330
<u>Ending Balance</u>	\$ 19,066	\$ 35,705

(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.

(2) District only has operating fund.

**County Sanitation District No. 2 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>
<u>Service Charge Rate (\$ per Sewage Unit)</u>	189.00	193.00
<u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per MGY)	839.00	865.00
COD (\$ per 1000 lbs)	167.80	173.00
SS (\$ per 1000 lbs)	401.30	413.90
Peak Flow (\$ per gpm)	114.80	118.40
Short Form Rate (\$ per million gallon per year)	3,709.51	3,824.92
Liquid Waste Disposal (\$ per 100 gallon)	5.50	5.70
<u>Total Connection Fee Rate (\$ per Capacity Unit)</u>	1,759.00	1,763.00
<u>Projected Sewage Units</u>		
Residential/Commercial	<u>220,943</u>	<u>218,425</u>
Total Served Sewage Units	220,943	218,425

Joint Outfall System
Preliminary Operating Fund Budget (\$ in thousands)
Fiscal Year 2024-25

	Adopted 2023-24 ⁽¹⁾	Proposed 2024-25 ⁽¹⁾
Starting Balance	\$ 297,791	\$ 397,211
 Sources of Funds		
Industrial Waste Charges	\$ 64,909	\$ 66,982
Operating Payments by Districts	331,563	376,429
Contract Revenue	5,185	5,629
Agricultural and Recycled Water Sales	9,784	10,405
Total Operating Revenue	411,440	459,445
 Interest	 7,636	 9,971
Total Non-Operating Revenue	7,636	9,971
 Loan Proceeds	 141,647	 102,442
Bond Proceeds	145,775	286,000
Capital Payments by Districts	56,585	24,466
Total Capital Revenue	344,007	412,908
 Transfers from Designated Funds	 271,965	 80,117
Transfers from Restricted Funds	166,547	-
Transfers from Districts	7,654	1,626
Total Transfers In	446,167	81,743
 Total Sources of Funds	\$ 1,209,250	\$ 964,068
 Use of Funds		
Joint Administration Operations	\$ 115,111	\$ 120,873
Sewer System Operations	60,931	81,406
Treatment Plant Operations	214,640	237,592
Composting Facility Operations	16,216	16,224
Contract Disposal Operations ⁽²⁾	1,863	-
Other Operational Expenditures	10,317	13,321
Operations and Maintenance Expense	419,077	469,416
 Joint Administration Capital	 16,377	 22,609
Sewer System Capital	158,280	145,437
Treatment Plant Capital	276,090	170,859
Composting Facility Capital	375	-
Field Office Capital	2,150	1,000
Contract Disposal Capital	698	591
Capital Expense	453,969	340,496
 Loan Repayment	 600	 5,859
Bond Repayment	10,733	10,733
Debt Service	11,333	16,592
 Total Use of Funds	\$ 884,379	\$ 826,504
 Ending Balance	\$ 622,662	\$ 534,775

(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.

(2) Contract Disposal Operations is included in the Other Operational Expenditures line in the preliminary 2024-25 budget, and will be separated for final budgets.

**Joint Outfall System
Reserve Funds Proposed Budget (\$ in thousands)
Fiscal Year 2024-25**

	Unrestricted	Designated			Restricted		Total
	Operating	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Capital Improvement	Closure/ Postclosure Reserves	
Starting Balance	\$ 397,211	13,223	170,735	100	667	474	582,410
Operating Revenue	459,445	-	-	-	-	-	459,445
Non-Operating Revenue	9,971	331	4,268	3	17	12	14,601
Capital Revenue	412,908	-	-	-	8,596	-	421,504
Transfers In	81,743	319	-	-	-	-	82,063
Operations and Maintenance Expense	469,416	-	-	-	-	-	469,416
Capital Expense	340,496	-	-	-	-	-	340,496
Debt Service	16,592	-	-	-	-	-	16,592
Transfers Out	-	-	80,434	3	-	-	80,437
Ending Balance	<u>534,775</u>	<u>13,873</u>	<u>94,570</u>	<u>100</u>	<u>9,279</u>	<u>486</u>	<u>653,082</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.