

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 20

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	May 9, 2024	At 11:30 A.M.
Governing Body	Director	Alternate
PALMDALE	BISHOP (Chairperson)	LOA
PALMDALE	BETTENCOURT	LOA
LOS ANGELES COUNTY	HORVATH	BARGER

1. Public Comment
2. Approve Minutes of Regular Meeting Held April 11, 2024
3. Approve February 2024 Expenses in Amount of \$1,642,203

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	\$1,385,297
Capital	40,157
Allocated Expenses:	
Joint Administration	97,716
Technical Support	116,584
Legal	2,449
Total Expenses	<u>\$1,642,203</u>

4. Authorize Issuance of Purchase Order to Xylem Water Solutions USA, Inc., in Amount of Approximately \$180,500 for Two Replacement Pumps for Influent Pump Station (IPS) at Palmdale Water Reclamation Plant (WRP)

Summary: The IPS is a critical system that lifts raw sewage up from the sewers and into process tanks for treatment. Two of the five existing pumps in the IPS are obsolete, have exceeded their service life, and have frequent problems with clogging and ragging. Staff recommends the purchase of these proposed replacement pumps, which are uniquely designed to be non-clogging and non-ragging and have proven to be reliable at other WRPs and Districts’ sewage pumping plants. 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. 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 \$51.88 per month (\$622.52 per year) and no increase is planned for fiscal year 2024-25, as directed by the Board at the March 21, 2024, Board meeting. A letter discussing this matter, together with the Service Charge Report accompanies the agenda. This item is consistent with the

5. Contd.

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.



April 5, 2024

Board of Directors
County Sanitation District No. 20
of Los Angeles County

Directors:

Wastewater Revenue Program for Fiscal Year 2024-25

The agenda for the upcoming meeting of the Board of Directors contains an item regarding the District's service charges for residential, commercial, and small industrial dischargers which are collected on the property tax roll.

A service charge rate ordinance has previously been adopted by the Board and no changes are being proposed to the ordinance. However, to continue to collect the service charge on the property tax roll, the Board 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.

SERVICE CHARGE AND SURCHARGE RATES

Service charge rates (for residential and commercial users) and surcharge rates (for industrial users) are intended to ensure revenues adequately fund operational costs, upcoming capital projects, and help the District meet the targets in its Board-adopted reserve and debt policies. Regular, moderate rate increases reduce the need for drastic increases in the future.

The service charge rate is currently \$51.88 per month (\$622.52 per year) per single-family home. At the January 22, February 8, and March 21, 2024 Board meetings, staff discussed budgetary needs, proposed service charge rates, and the rate ordinance implementation process. At the March 21, 2024 meeting, staff requested Board direction on the proposed rate increases and authorization to publish the required Proposition 218 notices. The Board opted not to increase rates. Therefore, no change to the 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 also 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 Board 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 Board 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 meeting, a final budget will be presented to the Board of Directors for consideration as part of the overall budgetary process, adoption of which will authorize budget appropriations. In addition, the Board 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. 20 SERVICE CHARGE REPORT FOR FISCAL YEAR 2024-25

INTRODUCTION

County Sanitation District No. 20 of Los Angeles County encompasses portions of the city of Palmdale and unincorporated Los Angeles County.

District No. 20 provides wastewater management services for the area described above. The District is responsible for the operation and maintenance of the Palmdale 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. 20 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 supplemental revenue required under the *Master Service Charge Ordinance of County Sanitation District No. 20 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. 20 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	=	0.3199
B	=	0.3488
C	=	0.3313

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. 20.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2024-25 is \$622.52 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. 20 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 Areas as shown in Table 2 are receiving or benefiting from the services and facilities of District No. 20. 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. 20. 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	620	10.34	3.10
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

<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				
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
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. 20**

000058	000059	001422	001441	001443
001444	001445	001539	001670	001681
001747	001889	001981	001982	001995
001998	002241	002495	002531	003250
003295	003323	003340	003791	003811
004319	004821	005014	005193	005196
006560	006602	006647	006674	006688
006717	006734	006747	006750	006752
006756	006777	006779	006917	006919
006924	006925	006926	006927	006928
006930	006932	006934	006935	006936
006939	006944	006946	006947	006950
006951	006952	006953	006955	006957
006958	006959	006960	006961	006963
006965	006966	006969	006971	006973
006976	006977	006983	006996	006998
007004	007006	007007	007008	007009
007014	007017	007018	007024	007028
007033	007036	007039	007045	007055
007056	007058	007059	007061	007064
007067	007070	007073	007074	007080
007098	007137	007142	007143	007144
007171	007175	007178	007186	007200
007205	007221	007233	007236	007240
007248	007249	007251	007285	007287
007293	007296	007297	007302	007306
007307	007309	007323	007325	007329
007331	007332	007338	007363	007368
007369	007374	007380	007382	007383

007384	007385	007386	007389	007390
007393	007396	007397	007400	007401
007402	007404	007406	007409	007411
007414	007418	007419	007420	007422
007438	007439	007441	007446	007461
007478	007479	007493	007494	007510
007512	007513	007523	007524	007536
007549	007575	007577	007578	007595
007596	007597	007598	007599	007708
007709	007710	007830	007852	007853
007864	007867	007885	007886	007908
007909	007916	007917	007918	007921
007922	007926	008028	008164	008177
008180	008181	008680	008682	008684
008685	008686	008743	008753	008768
008770	009005	009011	009134	009137
009163	009178	010231	010237	010265
010340	010367	010368	010370	010411
010415	010416	010418	010466	010491
010509	010576	010600	010616	010644
010799	010834	010841	010843	011058
011084	011123	011128	011195	011197
011205	011388	011447	011507	011570
011571	011579	011580	011593	011645
011658	011666	011700	011721	011753
011754	012054	012272	012667	012669
012670	012671	012732	012736	012737
012767	012768	012773	012799	012800
012801	012802	012915	013068	013172
013303	013467	013504	013548	013549

013583	013590	013615	013622	013694
013695	013822	013823	013824	013914
013917	013919	013929	013930	013937
013938	013939	013941	013960	014072
014117	014125	014142	014143	014158
014270	014273	014274	014275	014276
014288	014300	014301	014302	014303
014305	014310	014368	014373	014374
014378	014379	014381	014382	014390
014397	014398	014399	014401	014407
014414	014415	014417	014435	014436
014444	014459	014495	014496	014507
014508	014521	014537	014538	014548
014551	014553	014572	014583	014585
014588	014609	014612	014613	014614
014615	014625	014652	014654	014655
014658	014675	014676	014678	014679
014694	014941	014946	014947	014948
015008	015009	015128	015131	015132
015205	015208	015231	015234	015236
015326	015327	015440	015504	015514
015515	015516	015517	015518	015574
015576	015577	015578	015579	015580
015581	015582	015583	015584	015585
015586	015589	015611	015612	015613
015729	015791	015797	016174	016236
016290	016300	016319	016320	016730
016890	016908	017046	017047	017048
017049	017050	017051	017052	017053
017054	017056	017057	017058	017059

017061	017062	017063	017065	017071
017073	017074	017075	017076	017077
017078	017079	017080	017081	017082
017083	017084	017085	017086	017087
017088	017089	017090	017091	017092
017093	017094	017095	017096	017097
017098	017099	017100	017101	017102
017103	017104	017105	017106	017108
017109	017111	017112	017113	017114
017115	017116	017117	017118	017120
017135	017136	017149	017150	017151
017152				

TABLE 3
PARCEL NUMBERS SERVED BY SANITATION DISTRICT NO. 20
OUTSIDE OF TAX RATE AREAS

3005039013 3051021022