

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 20
HELD AT THE ANTELOPE VALLEY TRANSIT AUTHORITY

April 11, 2024
11:30 o'clock, A.M.

The Board of Directors of County Sanitation District No. 20 of Los Angeles County met in regular session.

There were present: Richard Loa, Alternate Director from Palmdale
Austin Bishop, Chairperson, Director from Palmdale

Absent: Lindsey Horvath, Director from Los Angeles County

Also present: Kimberly S. Christensen, Secretary to the Board
Brant Dveirin, District Counsel

RE: PUBLIC COMMENT
The Chairperson announced this was the time for any questions or comments by members of the public. Public comments on items listed on the agenda are included in the item below.

RE: MINUTES
Upon motion of Director Loa, duly seconded and unanimously carried, the minutes of the adjourned regular meeting held March 21, 2024, were approved.

RE: DISTRICT EXPENSES
The following expenses for the month of January 2024, were presented and upon motion of Director Loa, duly seconded and unanimously carried, were approved:

Local District Expenses:	
Operations & Maintenance	\$1,240,003
Capital	107,721
Legal	441
Allocated Expenses:	
Joint Administration	97,828
Technical Support	104,146
Legal	1,953
Total Expenses	<u>\$1,552,092</u>

RE: SERVICE CHARGE REPORT
RECEIVE AND ORDER FILED
SET PUBLIC HEARING FOR
MAY 9, 2024, AND GIVE
REQUIRED NOTICE
A report titled *County Sanitation District No. 20 Service Charge Report for Fiscal Year 2024-25*, prepared in accordance with Section 5473 of the Health and Safety Code of the State of California and which establishes the formula for the calculation of a sewage unit that represents the average daily quantity of sewage flow and strength from a single-family home (SFH) was presented.

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 \$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 the service charge rate and the Service Charge Report accompanied the agenda. Staff recommends 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.

A recommendation was made that, in accordance with Section 5473 of the Health and Safety Code, the Board instruct the District Clerk to publish newspaper notices to inform the public of the date, time, and place for a public hearing on the Service Charge Report, and that a public hearing be set for May 9, 2024, at 11:30 a.m. at the Antelope Valley Transit Authority, 42210 6th Street West, Lancaster, California, for the purpose of public discussion of the proposed service charge and its collection on the property tax roll. After the public hearing is closed, the Board must consider adoption of the Service Charge Report and introduction of ordinances establishing the service charge rates and providing for the collection of the service charge on the property tax roll.

BE IT RESOLVED, that the Board does hereby fix May 9, 2024, at 11:30 a.m. as the date and time, and at the Antelope Valley Transit Authority, 42210 6th Street West, Lancaster, California, as the place for a public hearing on *County Sanitation District No. 20 Service Charge Report for Fiscal Year 2024-25*, the proposed service charge and the collection of the service charge on the property tax roll.

The Clerk of this Board shall cause notice of the filing of the Service Charge Report and the time and place of the public hearing to be published once a week for two successive weeks in the *Antelope Valley Press*, a daily newspaper printed and published within the District, and in such other publications as are deemed appropriate by the Chief Engineer and General Manager.

Upon motion of Director Loa, duly seconded and unanimously carried, the *County Sanitation District No. 20 Service Charge Report for Fiscal Year 2024-25* was ordered filed with the Clerk of the District.

RE: UPDATE ON PROPOSED THIRD AMENDMENT TO AGREEMENT FOR PURCHASE AND SALE OF RECYCLED WATER WITH PALMDALE WATER DISTRICT AND PALMDALE WATER DISTRICT'S PURE WATER ANTELOPE VALLEY PROJECT DISCUSS

The Chief Engineer and General Manager advised that at the last meeting of District No. 20, the Chairperson requested an update on the Third Amendment to the *Agreement for Purchase and Sale of Recycled Water* with Palmdale Water District (PWD) and PWD's Pure Water Antelope Valley (PWAV) Project. He advised that the District and PWD previously entered into a recycled water agreement with two subsequent amend-

ments that allows PWD to use recycled water from the Palmdale Water Reclamation Plant (WRP). PWD has proposed to receive and further treat this recycled water for an indirect potable reuse project, referred to as the PWAV Project. PWAV would augment groundwater supplies via direct injection of advanced treated recycled water to produce a new, drought-resilient water supply source in the area.

He advised that part of Districts' mission is to maximize reuse agency-wide, and most of the water that is treated at our inland plants is already reused. In the Antelope Valley, this is even more important because what is not cleaned and reused must be managed. There is no river or ocean to discharge it into, which has been particularly problematic in the past as the community grew and the District ran out of uses for the water.

Using slides, he gave a presentation. He advised that the District began a facilities planning effort in the early 2000s. The older technology oxidation pond system was not able to meet the needs of the community, and the District was subject to regulatory actions. A tertiary treatment facility was selected to provide tertiary treated recycled water that could be beneficially reused to benefit the community water supply. Tertiary treated water meets all state standards for unrestricted use and the District invested heavily in this treatment. Currently, minimal municipal reuse is occurring, but the District developed an agricultural reuse site on the Los Angeles World Airport (LAWA) property and seasonal storage as an interim solution until municipal reuse infrastructure can be built.

He advised that recycled water production was approximately 9,000 acre feet/year (AFY) last year and 5,325 AFY is contracted with Palmdale Water District and 2,000 AFY is contracted with the Palmdale Recycled Water Authority (PRWA), to which the City of Palmdale (City) is a party. The 2,000 AFY unused PRWA amount plus an additional amount of approximately 1,700 AFY or a total of about 40 percent of our production could be made available for new uses at the Board's discretion.

On the next slide, he advised that the PWAV Project would purify 5,325 AFY of tertiary recycled water from Palmdale WRP and inject it into the groundwater basin to replenish local resources. The project is in line with meeting District's municipal reuse goals and that the water is so pure that minerals need to be added back in before it can be conveyed in a pipeline. The PWD service area covers two-thirds of the City of Palmdale and PWD needs to add supplies to serve the growth of the City. The project is similar to many other California projects that are planned or in operation.

On the next slide, he stated that the Districts typically include provisions in contracts to encourage the use of the water. The Districts wants to avoid situations where the entity's allotment of recycled water is not used. He stated that the original contract with PWD began in October 2016. The contract established quantities for municipal irrigation and groundwater recharge; minimum purchase volumes; and milestone deadlines. The first amendment was approved in September 2019 and the second amendment was approved in October 2021 which both included milestone extensions.

He advised that the proposed third amendment reflects current project timelines and reaffirms District No. 20's commitment to the PWAV Project. In fall of 2023, the Board tabled the amendment to better understand the item. He stated that some funding has been approved for this project and PWD is hoping to obtain more.

The timeline changes in the proposed third amendment require PWD to begin operation of a demonstration facility by October 2026; and pay mandatory minimum annual payments for 4,000 AFY of

recycled water by fiscal year 2029-30. Milestones for the implementation of "purple pipe" municipal use are proposed to be removed from the agreement.

The new timelines for the PWAV Project would implement a demonstration facility construction during spring 2024 through summer 2025; a full-scale facility planning and design during fall 2024 through summer 2027; and a full-scale facility start up by summer 2029.

The Chairperson called upon a member of the public, Vice Mayor, Mr. Marvin Crist, City of Lancaster.

In response to the Vice Mayor's question, the Chief Engineer and General Manager advised that he did not recall a request from Vice Mayor to notify all the parties when this item was brought back and asked who the parties were to which he was referring. He pointed out that Mr. Brandon Calandri was present.

The Chairperson advised that he asked staff to bring this item back for discussion so the Board could understand the financing, water rights, etc. He thanked staff for the presentation and asked that the item continue to be tabled because he needed more information on the impact to the City and the timeline.

The Chairperson noted that he didn't want to have the alternate Board member make the decision. He wants Director Bettencourt to be updated as well.

Director Loa stated that he was advised that this item was for information only and no action was needed today.

The Chief Engineer and General Manager advised that the item is for information only and staff would need direction to move forward.

The Vice Mayor of Lancaster asked if a representative of the Palmdale Water District would speak.

The Chairperson called upon Mr. Lamoreaux to address the Board.

In response to Mr. Lamoreaux, the Chairperson advised that he would like information on the water rights, details of the project, funding that is available, and why the last Board tabled the item.

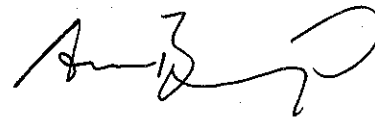
In response to the Chairperson, Mr. Lamoreaux advised that the third amendment is a shift in milestones, not a shift in contract amount or terms. If the amendment is not approved, it will not affect the original contract. The advantage to the District in the proposed third amendment is for an accurate depiction of the project. Water rights are set through year 2048 for 5,325 AFY of recycled water. He advised that this is a new source of water and the intended use has changed over the years. The initial project was to blend and percolate the recycled water, but there were problems with the proposed project location. The second amendment shifted to a much more straightforward injection well project, and there are a dozen projects similar to this one throughout the state.

The Chairperson asked Mr. Lamoreaux to schedule a meeting with the City so they may have a chance to review the project.

Mr. Lamoreaux advised that he will contact the City and is available to answer any questions. The contract has been in place for eight years, and the third amendment is not material to having the water for the term of the contract, just an accurate update and continued transparency. If the Board does not act on the third amendment, the PWAV Project may proceed regardless.

The Chief Engineer and General Manager advised that District staff will wait until the Chairperson advises the District to bring back the item.

The meeting was adjourned by the Chairperson.



AUSTIN BISHOP
Chairperson

ATTEST:



KIMBERLY S. CHRISTENSEN
Secretary
/ee