

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

May 9, 2024
9:30 o'clock, A.M.

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

There were present: Austin Bishop, Director from Palmdale
Marvin Crist, Chairperson pro tem, Alternate Director from Lancaster

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 pro tem announced this was the time for any questions or comments by members of the public. There were no public comments or questions to address to Board on any matters.

RE: MINUTES
Upon motion of Director Bishop, duly seconded and unanimously carried, the minutes of the regular meeting held April 11, 2024, were approved.

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

Local District Expenses:	
Operations & Maintenance	\$1,195,135
Capital	835,066
Allocated Expenses:	
Joint Administration	162,428
Technical Support	174,631
Legal	4,083
Total Expenses	<u>\$2,371,343</u>

RE: ANNEXATION NO. 454
RESOLUTIONS AUTHORIZING
APPLICATION TO LOCAL AGENCY
FORMATION COMMISSION AND
APPROVING NEGOTIATED
EXCHANGE OF PROPERTY
TAX REVENUES - ADOPT
Annexation No. 454 consists of 86 proposed single-family homes in the City of Palmdale. Each annexation to the District's service area requires adoption of two resolutions by the Board. The first resolution authorizes submittal of the annexation application to Local Agency Formation Commission (LAFCO), approves the California Environmental Quality Act (CEQA) document, and consents to a waiver of the LAFCO protest hearing.

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

The Chief Engineer and General Manager advised that this was a standard item.

In response to Director Bishop, the Chief Engineer and General Manager advised that there are 86 homes between 3,000 - 5,000 sq. ft. each.

Director Bishop stated that they are unusually large for the area.

Upon motion of Director Bishop, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby approve the Joint Resolution of the Board of Supervisors of the County of Los Angeles, the governing bodies of the Antelope Valley Cemetery District, Antelope Valley Mosquito & Vector Control District, Antelope Valley Resource Conservation District, City of Palmdale, and Antelope Valley - East Kern Water Agency, and this Board of Directors, approving and accepting the negotiated exchange of property tax revenues resulting from Annexation No. 454 to the District, a copy of which is on file at the Office of the District and by reference incorporated herein as though fully set forth; and the Chairperson and Secretary are authorized to execute the Joint Resolution on behalf of the District. Furthermore, the following resolution was adopted:

RESOLUTION

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

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

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

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

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

Counties: None
Districts: None
Cities: Lancaster and Palmdale
 - (d) The territory is uninhabited. A description of the exterior boundaries of such territory is set forth in Exhibit "A" hereof.
 - (e) It is desired that the proposed annexation provide for and be made subject to the following terms and conditions:
 - (1) The retention by District of the deposited sum of \$12,700.00 as the fee required by the Board of Directors for said annexation.
 - (2) The negotiated exchange of property tax revenues between affected agencies resulting from said annexation to District.
 - (f) The reasons for this proposal are as follows:
 - (1) The District is empowered to and is engaged in providing sewerage facilities which can best serve the territory proposed to be annexed with sewage disposal service. Based on the information provided by the property owners, the District's sewerage facilities have or, in accordance with current policy, will have adequate capacity to collect, treat, and dispose of the wastewater anticipated to be generated on the subject property. Actual sewer hook-up will not be allowed until payment of the connection fee and shall be subject to all circumstances then existent including the availability of capacity. Disposal of the treated wastewater will be in accordance with waste discharge permits issued by the appropriate California Regional Water Quality Control Board.

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

RE: SERVICE CHARGE PROGRAM
HOLD PUBLIC HEARING ON
SERVICE CHARGE REPORT, AND
COLLECTION ON TAX ROLL

The Chief Engineer and General Manager announced that today the Board would hold a public hearing, and the proposed rate increases associated with the service charge and the collection of the service charge on the property tax roll were presented. 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 \$40.66 per month (\$487.88 per year) and no increase is planned for fiscal year 2024-25 per the direction of the Board. A letter discussing this matter, together with the Service Charge Report, the preliminary budget, and a budget explanation and glossary, accompanied 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.

In accordance with Section 5473 of the Health and Safety Code of the State of California, the *County Sanitation District No. 14 Service Charge Report for Fiscal Year 2024-25* was filed on March 14, 2024, and publication of two newspaper notices for today's public hearing were published in the *Antelope Valley Press*, a daily newspaper. The Service Charge Report addresses the continued collection of the service charge for the District on the tax roll. These charges are needed to supplement the District's existing revenue sources for the forthcoming fiscal year, as discussed in the letter to the Boards, dated February 9, 2024.

The Chairperson pro tem opened a public hearing on the Service Charge Report for County Sanitation District No. 14 of Los Angeles County. In response to the Chairperson pro tem's question, the Secretary reported that the District has received no protests, correspondence, or telephone calls on the Service Charge Report.

There being no further comments, the Chairperson pro tem closed the public hearing.

RE: SERVICE CHARGE PROGRAM
ADOPT SERVICE CHARGE REPORT

Following the public hearing, upon motion of Director Bishop, duly seconded and unanimously carried, the Board of Directors of County Sanitation District No. 14

of Los Angeles County approved and adopted the *County Sanitation District No. 14 Service Charge Report for Fiscal Year 2024-25*, which was filed with the Clerk of the Board on March 14, 2024.

RE: DIRECTOR COMMENTS
ITEMS NOT LISTED ON AGENDA

The Chairperson pro tem, before adjourning, asked District Counsel, Jessica Lienau, to explain his role as a Chairperson pro tem.

District Counsel advised that the Chairperson or Chairperson pro tem presides over the Board meetings.

The Chairperson pro tem advised that he previously asked for the Antelope Valley Fair & Events Center (Fairground) not to be charged service charge fees by the District, that it is run by a Joint Powers Authority (JPA) with the cities of Palmdale and Lancaster, Los Angeles County, and the 50th District Agricultural Association being members. He stated that the Fairground property will be owned by those entities in 30 years. He asked if the current policies exempt local agencies from paying these service fees.

In response, District Counsel advised that this is not entirely correct and that the Fairground service charge is not agendaized for discussion.

District Counsel advised that she is not a member of the Board so she could not discuss this item without it being agendized by the Board and advised that the Board needed to agendize the item to have discussion about it.

The Chairperson pro tem made a recommendation to find that immediate need to take action arose subsequent to posting of the agenda pursuant to California Government Code Section 54954.2(b)(2); to discuss the Fairgrounds.

Upon motion of the Chairperson pro tem, duly seconded and unanimously carried, the Board of Directors determined that there was a need to take immediate action, that the need for the action came to the attention of the District subsequent to the posting of the agenda pursuant to California Government Code Section 54954.2(b)(2).

The Chairperson pro tem asked District Counsel if she wrote the letter to the City of Lancaster (City) regarding the Fairgrounds wherein she agreed with the City Attorney.

District Counsel advised that she did not write a letter wherein she agreed with the City Attorney.

The Chairperson pro tem advised that to agendize means an action item and asked how we can do this, and why not allow the Fairgrounds to be exempt.

District Counsel advised that she is not prepared to discuss this item today.

The Chairperson pro tem asked the Chief Engineer and General Manager to explain.

The Chief Engineer and General Manager advised that an email was sent to the City advising that the rate ordinances and state laws must be followed, that customers must pay their fair share, and that local government exemptions in the Districts' Ordinances apply to governmental facilities on local government-owned parcels used exclusively for governmental functions, such as schools and local agencies. At this time, based on the information in possession of Districts' staff and counsel, the Fairgrounds are not exempt in this case.

The Chairperson pro tem advised that the Fairground is the only one with a JPA in the state, and that cities and county facilities and agencies have other exemptions.

The Chief Engineer and General Manager advised that the exemption for the Fairground does not meet the Districts' requirements for the local government and to consider it exempt, and exempting it, could open the Districts to a legal challenge.

The Chairperson pro tem asked if the Board could set a policy to exempt the Fairground. He stated that he doesn't want to hear we can't, but how can we.

The Chairperson pro tem requested that an item be placed on the next agenda for further discussion and possible action.

The Chief Engineer and General Manager advised that an agenda item will be added to the next agenda to address the Chairperson pro tem's request that the Fairground not have to pay Districts' imposed fees.

The meeting was adjourned by the Chairperson pro tem.


MARVIN CRIST
Chairperson pro tem

ATTEST:


KIMBERLY S. CHRISTENSEN
Secretary

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