

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

June 13, 2024  
11:30 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  
Kathryn Barger, Alternate Director from Los Angeles County  
Marvin Crist, Chairperson pro tem, Alternate Director from Lancaster

Absent: None

Also present: Denise Springer, Deputy Secretary to the Board  
Jessica Lienau, District Counsel

The Chairperson pro tem opened the meeting and welcomed Directors, staff, and the public. He called upon Director Loa to lead the Pledge of Allegiance.

He advised that in accordance with the Brown Act, the Deputy Secretary would announce the amount of compensation each Director is entitled to receive per meeting. The Deputy Secretary made the announcement that in accordance with the disclosure requirements of Government Code Section 54952.3, each member of the Districts' Boards of Directors meeting today is entitled to receive compensation in the amount of \$125 for each meeting attended.

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 not listed on the agenda. Public comments on items listed on the agenda are included in the item below.

RE: MINUTES

Upon motion of Director Barger, duly seconded and unanimously carried, the minutes of the regular meeting

held May 9, 2024, were approved.

RE: DISTRICT EXPENSES

The following expenses for the month of March 2024, were presented and upon motion of Director Barger, duly

seconded and unanimously carried, were approved:

Local District Expenses:

Operations & Maintenance	\$1,537,873
Capital	510,171
Legal	517

Allocated Expenses:

Joint Administration	190,148
Technical Support	195,057
Legal	7,543

Total Expenses

\$2,441,309

RE: ANNEXATION NO. 450  
RESOLUTIONS AUTHORIZING  
APPLICATION TO LOCAL AGENCY  
FORMATION COMMISSION AND  
APPROVING NEGOTIATED  
EXCHANGE OF PROPERTY  
TAX REVENUES - ADOPT

Annexation No. 450 consists of two proposed warehouses. 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 Lancaster, and Antelope Valley – East Kern Water Agency approving and accepting the negotiated exchange of property tax revenues resulting from annexation.

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 Lancaster, 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. 450 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 Los Angeles 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 Los Angeles 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 \$10,300.00 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: ANNEXATION NO. 452  
 RESOLUTIONS AUTHORIZING  
 APPLICATION TO LOCAL AGENCY  
 FORMATION COMMISSION AND  
 APPROVING NEGOTIATED  
 EXCHANGE OF PROPERTY  
 TAX REVENUES - ADOPT

Annexation No. 452 consists of one existing single-family home in unincorporated Los Angeles County. 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) 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, and Notice of Finding were attached to the agenda. A recommendation was made that the Board adopt a resolution for making an application to LAFCO for annexation; 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, Antelope Valley - East Kern Water Agency, and Palm Ranch Irrigation District approving and accepting the negotiated exchange of property tax revenues resulting from annexation.

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, Antelope Valley-East Kern Water Agency, Palm Ranch Irrigation District, and this Board of Directors, approving and accepting the negotiated exchange of property tax revenues resulting from Annexation No. 452 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 Los Angeles 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 the proposed annexation is exempt from the provisions of the California Environmental Quality Act;

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 Los Angeles 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 \$7,900.00 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 consists of one existing single-family home, 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: ANNEXATION NO. 453  
 RESOLUTIONS AUTHORIZING  
 APPLICATION TO LOCAL AGENCY  
 FORMATION COMMISSION AND  
 APPROVING NEGOTIATED  
 EXCHANGE OF PROPERTY  
 TAX REVENUES - ADOPT

Annexation No. 453 consists of one proposed warehouse in the City of Lancaster. 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 Lancaster, and Antelope Valley - East Kern Water Agency approving and accepting the negotiated exchange of property tax revenues resulting from annexation.

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 Lancaster, 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. 453 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 Los Angeles 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 Los Angeles 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 \$15,000.00 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: WASTEWATER MANAGEMENT  
DISTRICT 14 TRUNK A SEWER  
REHABILITATION  
AWARD CONTRACT NO. 5630  
TO INSITUFORM TECHNOLOGIES, LLC  
ORDER SECRETARY TO EXECUTE

The *District 14 Trunk A Sewer Rehabilitation* (Project) will consist of rehabilitation of approximately 13,798 feet of 18-inch to 24-inch-diameter corroded concrete pipe and appurtenant structures that were constructed in the 1950s. The work is located in the City of Lancaster as was shown on the map attached to the agenda. The bid summary/recommendation to award was attached to the

agenda. 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 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). The bids received at the District's office on May 7, 2024, for construction of the Project are as follows:

BIDDER

TOTAL BID

Insituform Technologies, LLC	\$5,532,278.00
SAK Construction, LLC	\$5,890,380.00
Spiniello Infrastructure West, Inc.	\$6,885,200.00

The bid of Insituform Technologies, LLC, was the lowest bid received and that Insituform Technologies, LLC, was the lowest, regular, responsible bidder for the work, and a recommendation was made to award a contract to Insituform Technologies, LLC, at the unit prices stated in its bid amounting to approximately \$5,532,278. Furthermore, a recommendation was made to order staff to review the insurance and surety bonds for performance and payment and, if sufficient, order the Secretary to execute the contract with Insituform Technologies, LLC, for construction of the Project.

Upon motion of Director Bishop, duly seconded and unanimously carried, Contract No. 5630 for construction of the *District 14 Trunk A Sewer Rehabilitation* was awarded to the lowest, regular, responsible bidder, to wit: Insituform Technologies, LLC, at the unit prices stated in its bid amounting to approximately \$5,532,278. Furthermore, the Board of Directors of County Sanitation District No. 2 of Los Angeles County ordered the staff to review the insurance and surety bonds for performance and payment and, if sufficient, ordered the Secretary to execute the contract with Insituform Technologies, LLC, for construction of the Project.

RE: WASTEWATER MANAGEMENT  
FLOW MONITORING SERVICES IN SUPPORT  
OF DEVELOPMENT OF SYSTEM-WIDE  
HYDRAULIC MODEL OF SEWER SYSTEM  
AUTHORIZE ISSUANCE OF PURCHASE  
ORDER TO ADS CORP.

In August 2023, Hurricane Hilary generated significant stormwater inflow to the sanitary sewer. To identify the sources of the inflow and prevent future damage to the sewerage infrastructure, flow monitoring and hydraulic modeling of the sewer system are needed. Development of a model in District No. 14 is also consistent with the independent external audit conducted following the

December 2021 sewer spill in the City of Carson, which recommended the development and use of a hydraulic model of the sewer systems for all Districts to assist in their operation and prevent sewer spills. Development of the sewer model for the District requires approximately 18 months of sewer flow monitoring data be collected at 32 locations throughout its 75-mile trunk sewer system. Proposals were solicited and received from three qualified flow monitoring firms. ADS Corp. (ADS) submitted a cost-effective proposal that demonstrated their ability to meet the schedule and data quality requirements. To ensure timely completion, staff recommends issuance of a purchase order to ADS. This item is consistent with the Districts’ Guiding Principles of commitment to continual improvement; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to ADS in the amount of approximately \$630,675 for flow monitoring services in support of the development of a system-wide hydraulic model of the sewer system.

The Chief Engineer and General Manager stated that back in 2021, there was a major sewer spill in the City of Carson and a third-party consulting firm was hired to do an audit of the Districts’ sewer system maintenance practices. As a result of the audit, the consultant gave recommendations to help improve the Districts’ sewer systems notification system when sewer lines might be close to overflowing due to heavy rainfall. In order to implement this recommendation, monitors were placed in several different locations to help gauge the water flow during heavy rainfall events.

In response to Chairperson pro tem, the Chief Engineer and General Manager stated that in District No. 14 there were 32 different locations where the flow monitors have been placed.

Upon motion of Director Bishop, duly seconded and unanimously carried, the Purchasing Agent was authorized to issue a purchase order to ADS Corp. for flow monitoring services in support of the development of a system-wide hydraulic model of the sewer system, at a cost of approximately \$630,675.

RE: TECHNICAL SERVICES  
AMENDED AND RESTATED MEMORANDUM  
OF UNDERSTANDING - OTHER MEMBERS OF  
ANTELOPE VALLEY REGIONAL WATER  
MANAGEMENT GROUP - APPROVE

Districts Nos. 14 and 20 are part of the Regional Water Management Group (RWMG) formed by a 2007 Memorandum of Understanding (MOU) to apply for regional water management grant funding. Other parties to the MOU are Los Angeles County Waterworks District No. 40, City of Palmdale, City of Lancaster, Antelope

Valley-East Kern Water Agency, Palmdale Water District, Quartz Hill Water District, Littlerock Creek Irrigation District, Rosamond Community Services District, and the Antelope Valley State Water Contractors Association. Proposition 1, approved by voters in 2014, authorizes \$510 million in Integrated Regional Water Management

Plan (IRWMP) funding for projects that help meet the long-term water needs of the state, including drought relief, water quality improvements, and water supply reliability projects, including water reuse efforts. To be eligible for this funding, the RWMG periodically updates its IRWMP to comply with California State Department of Water Resources Integrated Regional Water Management Grant Program (Grant Program) guidelines. The MOU commits each party to pay a share of the cost to administer Antelope Valley IRWMP-related activities, including managing on-going stakeholder meetings, project updates, and grant support, as well as to cover one-quarter of the costs for groundwater monitoring required by the Grant Program. Districts Nos. 14 and 20 would each contribute \$7,615 under this *Amended and Restated Memorandum of Understanding* (MOU Amendment), which is approximately 6.9 percent of the overall cost. Staff has determined that the activities described herein do not constitute a “Project” under the California Environmental Quality Act (CEQA) pursuant to 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 collaborate with others in legislative and regulatory matters to promote science-based, efficient and sustainable environmental regulations; and to plan for both short-term and long-term needs to minimize the need for significant rate increases. A recommendation was made to approve and order executed an MOU Amendment with other members of the Antelope Valley (RWMG) to administer Antelope Valley IRWMP related activities at a cost of approximately \$7,615.

The Chief Engineer and General Manager stated that the MOU is periodically reviewed by the RWMG when the IRWMP is updated to comply with the California State Department of Water Resources Integrated Regional Water Management Grant Program requirements.

Upon motion of Director Barger, duly seconded and unanimously carried, an amendment to the Memorandum of Understanding entered into with Integrated Regional Water Management Group, Contract No. 4249 dated October 17, 2006, as amended January 30, 2019 (Contract No. 4249A), and June 10, 2021 (Contract No 4249B), providing for updates to the Integrated Regional Water Management Plan to comply with California State Department of Water Resources Integrated Regional Water Management Grant Program guidelines, as set forth therein, was approved. All the terms and conditions of the *Amended and Restated Memorandum of Understanding*, Contract No. 4249C, dated June 13, 2024, were accepted and approved, and the Chairperson and Secretary were authorized to execute the Amendment on behalf of the District.

RE: INVESTMENT POLICY  
ADOPT

As part of the continuing effort to ensure the Districts follow best practices as it relates to financial matters, revisions to the Investment Policy (Policy) are being

recommended. The Policy establishes the practices under which the Districts invest reserves until such time as they are needed to meet expenses and identifies what types of investments are allowable. Proposed revisions would grant permission to invest in shared investment pools comprised of other California public agencies. A letter summarizing the proposed changes was attached to the agenda. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship. A recommendation was made to adopt the Policy.

The Chief Engineer and General Manager introduced Mr. Matt Eaton, Deputy Assistant Chief Engineer and Department Head of Financial Management, to provide a brief presentation regarding the Policy revisions.

Mr. Eaton gave a presentation on the Policy presented to both Districts. He discussed that the Districts can optimize investment returns by investing in different pools during specific market conditions. The two types of investment pools discussed were as follows: 1) California Asset Management Program (CAMP) and 2) California Cooperative Liquid Assets Securities System (CLASS). The City of Lancaster invests in CLASS.

In response to Chairperson pro tem, Mr. Eaton stated that utilizing local banks is allowed, but returns on their deposit accounts and certificates of deposits have a lower return than the pooled funds or U.S. Treasuries. In the future, if the local banks have a higher return on investments, money can be moved. The Chief Engineer and General Manager clarified that using local banks was discussed at a previous Board meeting.

Upon motion of Director Barger, duly seconded and unanimously carried, the Investment Policy was adopted.

RE: APPROPRIATIONS LIMIT  
FOR FISCAL YEAR 2024-25  
ESTABLISH AND ADOPT

A letter discussing the 2024-25 fiscal year budget matters accompanied the agenda. The Government Code requires the governing body of each local jurisdiction to establish, by resolution, an appropriations limit for each fiscal year.

The documentation used in the determination of the appropriations limits must be available 15 days prior to this action being taken. The method by which the Districts’ appropriations limits were calculated has been available



to the public at the Districts' Joint Administration Office since May 15, 2024, and was provided to the Directors with the letter of May 30, 2024, mailed with 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.

The appropriations limit for fiscal year 2024-25 has been determined by adjusting the previous fiscal year's limits using the factors specified in the Government Code. The appropriations limit has also been adjusted to include mandated costs, all in accordance with the procedures outlined in Article XIII B of the Constitution and Section 7910 of the Government Code. A recommendation was made that, in order to comply with legal requirements, this Board adopt an appropriations limit of \$82,286,974 for fiscal year 2024-25.

Upon motion of Director Barger, duly seconded and unanimously carried, the following resolution was adopted:

BE IT RESOLVED, that pursuant to Section 7910 of the Government Code of the State of California, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby establish and adopt an appropriations limit of \$82,286,974 for fiscal year 2024-25, utilizing the population change and the change in the personal per capita income.

RE: BUDGET 2024-25  
OPERATING FUND

In a letter dated May 30, 2024, to the Board, matters were discussed pertaining to the budget for the 2024-25 fiscal year. A sewerage system final budget for the 2024-25

fiscal year was presented and a recommendation was made that the budget be adopted.

Upon motion of Director Barger, duly seconded and unanimously carried, the sewerage system final budget for 2024-25 was approved, adopted, and ordered filed.

RE: TAX LEVY  
OPERATING FUND

Data for the tax levy necessary for the Operating Fund was presented and a recommendation was made that the tax levy be requested in accordance therewith.

Upon motion of Director Barger, duly seconded and unanimously carried, the following resolution was adopted:

BE IT HEREBY DETERMINED, RESOLVED, AND ORDERED AS FOLLOWS:

That pursuant to the provisions of Article 6, Section 4815 of the County Sanitation District Act (Chapter 3, Part 3, Division V, of the Health & Safety Code of the State of California), the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby find and declare that the sum of \$2,723,000 is and will be the amount necessary to maintain, operate, extend, or repair any work or improvements of the District for the collection, treatment, and disposal of sewage, and to defray all other expenses incidental to the exercise of any of the District's powers, except the amounts necessary to acquire, construct, maintain, and operate a refuse transfer or disposal system, or both, and any other expenses incidental to the operation of the system during the ensuing year and prior to the annual levy of taxes for the fiscal year 2025-26, and the Board of Supervisors of Los Angeles County is hereby requested to cause to be levied and collected at the same time and in the same manner as the next general tax levy for the County a tax upon the real property in the District, in an amount sufficient to raise the required amount, to wit: \$2,723,000, to be paid into the County Treasury to the credit of the Operating Fund of the District.

The Secretary is hereby instructed to furnish a copy of this resolution and statement to the Board of Supervisors of Los Angeles County at least fifteen (15) days before the first day of September 2024.

RE: APPROPRIATIONS  
OPERATING FUND 2024-25

Upon motion of Director Barger, duly seconded and unanimously carried, the appropriations from the Operating Fund for fiscal year 2024-25 were ordered

made as shown in the Operating Fund Final Wastewater Budget that was attached to the agenda.

RE: EMERGENCY REPLACEMENT OF CENTER  
PIVOT IRRIGATION SYSTEMS AT LANCASTER  
WATER RECLAMATION PLANT EASTERN  
AGRICULTURAL SITE - DISCUSS

The District currently leases approximately 2,880 acres at the Eastern Agricultural Site (EAS) to High Desert Dairy-Van Dam, LLC (Van Dam). The leased property contains 18 quarter-mile radius center pivot irrigation systems for the cultivation of fodder crops using recycled water from the Lancaster Water Reclamation Plant (WRP) to ensure beneficial reuse of all recycled

water not used for municipal reuse purposes. The pivots were installed by the District between 2005 and 2010, and Van Dam has been maintaining and repairing them, as necessary, pursuant to the terms of the lease. In May 2024, several sections of two pivots collapsed due to corrosion and wear. It is no longer cost effective to repair these pivots. In order to expedite their replacement and ensure that critical recycled water management operations at these two pivots resume as quickly as possible, Van Dam was authorized to purchase and install two new pivots at a total cost of \$280,000, which staff has determined to be a competitive price. Van Dam has agreed to perform the replacement work in exchange for a \$280,000 credit against lease rent due in 2025. Additionally, staff is currently evaluating a phased program under which Van Dam would proactively replace aging pivots at the EAS over the next few years in exchange for lease rent credit. A proposed lease amendment that addresses these issues will be presented to the Board at a future meeting. This item is consistent with the Districts' Guiding Principle of commitment to continual improvement.

The Deputy Secretary called on the following speaker:

Ms. Kimberly Ros-McCaslin, on behalf of High Desert Dairy - Van Dam, LLC, spoke about the Emergency Replacement of Center Pivot Irrigation System at the Lancaster WRP EAS. Ms. Rose-McCaslin stated that the information given by the Chief Engineer and General Manager was correct. The old pivots are no longer repairable. The center pivots are used more than regular farming. The center pivots have 30 percent more wear as they are also used in the non-growing season. The water pumped at the site is chemically treated and causes corrosion. Ms. Rose-McCaslin shared photos with the Board.

It was stated that eventually all 18 center pivots will need to be replaced over the course of the lease. It was suggested that the rest of the center pivots be replaced over five years with Van Dam being reimbursed with lease credits at market value plus inflation increases.

The Chief Engineer and General Manager made a minor correction to a point that Ms. Rose-McCaslin made regarding the pumped water. He clarified that it was recycled water pumped to the site. Otherwise, he agreed with what she presented to the Board.

Ms. Rose-McCaslin noted that the District could overflow the storage basins if none of the pivots worked and 12 employee jobs were at risk.

The Chairperson pro tem asked Mr. Van Dam if he agreed and Mr. Van Dam confirmed. Director Barger abstained from giving direction on this item.

RE: ANTELOPE VALLEY FAIRGROUNDS  
WASTEWATER CHARGES, USE OF  
FAIRGROUNDS FACILITIES BY THE  
DISTRICT, AND POSSIBLE ACTION - DISCUSS

The Chief Engineer and General Manager stated the Antelope Valley Fairgrounds (Fairgrounds) is in the process of developing a significant new expansion known as the Multi-Agency Regional Resilience Center (MARRC). The MARRC and Fairgrounds Sewage

Service Agreement was brought to the Board at the request of the Chairperson pro tem. Under the District's Master Service Charge Ordinance and Master Connection Fee Ordinance, the expansion will require payment of connection fees and additional annual service charge.

There was a presentation given by the Chief Engineer and General Manager. He stated that the site can be used for events that focus on environmental education such as the following:

- Water quality and water conservation.
- Events similar to Districts' annual Earth Day event in Whittier and proposed additional event in Carson.
- Water agencies and cities would participate.
- Invite other participants with environmental focus such as solar, hydrogen, solid waste recycling interests.

The value of the benefits to the District for using this site would be roughly equal to costs for annual service charge and pro-rated connection fees for increased usage. The District would enter into an agreement to provide access to the facilities in exchange for providing wastewater service, at approximately \$46,000 per year. The past due 2021 and 2024 invoices will need to be paid by the Fairgrounds and an agreement will be presented at a future Board meeting.

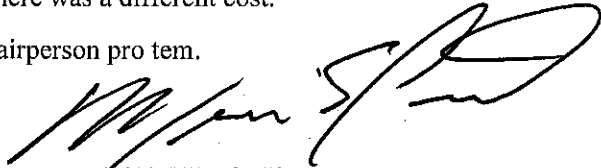
The Chairperson pro tem asked Mr. Dan Jacobs of the Fairgrounds, and Mr. Trolis Niebla of the City of Lancaster if they were in agreement with the terms for the proposed agreement. Both stated that they were. The

Chairperson pro tem endorsed proceeding with preparing the proposed agreement containing the agreed-upon terms and bringing it back to a future Board meeting for consideration.

The Chairperson pro tem asked if there was any further development on moving forward with the consolidation of Districts Nos. 14 and 20. The Chief Engineer and General Manager advised that a Request for Proposal (RFP) went out. Two reputable proposals have been received at a cost of approximately \$56,000.


The Chairperson pro tem stated it was unfair for District No. 14 to pay less than District No. 20. He asked if it was possible for residents to pay different amounts depending on whether it is a new development or where they live within the Districts. In response to the Chairperson pro tem, the Chief Engineer and General Manager stated that Proposition 218 requires users to pay their cost of service and having different rates would not be possible under Proposition 218 unless there was a different cost.

The meeting was adjourned by the Chairperson pro tem.



MARVIN CRIST  
Chairperson pro tem

ATTEST:



DENISE SPRINGER  
Deputy Secretary

/ee