



# COUNTY SANITATION DISTRICTS OF LOS ANGELES COUNTY

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GRACE ROBINSON HYDE  
Chief Engineer and General Manager

May 31, 2018

Boards of Directors  
County Sanitation District No. 27 and  
Newhall Ranch Sanitation District  
of Los Angeles County

Directors:

The enclosed consolidated agenda includes the following items for the regular meetings of the Boards of Directors of District No. 27 and Newhall Ranch Sanitation District meeting Tuesday, June 12, 2018.

1. Minutes. (3 and 5) Copies of the minutes have been provided to each of the Directors.

2. District Expenses: (3 and 5) Local District expenses represent costs incurred for operations, maintenance, and capital projects that are the sole responsibility of the individual District. Each District's share of allocated expenses represents its proportionate share of expenditures made by District No. 2, the administrative District, on behalf of the individual districts that are parties to the Joint Administration Agreement. That agreement provides for the joint administration of the 24 County Sanitation Districts of Los Angeles County (the "Districts"), and requires District No. 27 and Newhall Ranch Sanitation District to each pay 0.01 percent of the joint administration costs.

**District No. 27 –**

Local District Expenses:

|                                  |             |
|----------------------------------|-------------|
| Operations & Maintenance (O & M) | \$13,039.22 |
| Capital                          | 33,228.08   |

District No 27's Share of Allocated Expenses for O & M and Capital

|                      |        |
|----------------------|--------|
| Joint Administration | 906.28 |
|----------------------|--------|

|                |                    |
|----------------|--------------------|
| Total Expenses | <u>\$47,173.58</u> |
|----------------|--------------------|

**Newhall Ranch Sanitation District –**

Local District Expenses:

|                                  |             |
|----------------------------------|-------------|
| Operations & Maintenance (O & M) | \$ 2,502.88 |
| Capital                          | 82,311.47   |

Newhall Ranch Sanitation District's Share of Allocated Expenses for O & M and Capital

|                      |        |
|----------------------|--------|
| Joint Administration | 906.28 |
|----------------------|--------|

|                |                    |
|----------------|--------------------|
| Total Expenses | <u>\$85,720.63</u> |
|----------------|--------------------|

3. Appropriations Limits. (3) The Constitution of the State of California, which was amended in November 1979, places a constitutional limit on the authorization to expend the proceeds of taxes levied by state and local government in California. In January 1981, the Government Code was amended to require the governing body for each local jurisdiction to establish, by resolution, an appropriations limit for each fiscal year (FY). The appropriations limit for FY 2018-19 for District No. 27 has been determined by adjusting the previous limit for FY 2017-18, based upon population change factors for Los Angeles County and the change in the California Personal Per Capita Income. This is in accordance with the procedures outlined in Article XIII B and Section 7910 of the California Government Code. The calculations are shown in Exhibit No. 1.

4. Wastewater Budget Matters for Fiscal Year 2018-19. (3) Attached is a copy of the proposed budget for FY 2018-19 for District No. 27 with a breakdown of the items included in the sewerage system budget. It is divided into three sections: anticipated expenses, projected revenues, and transfers to reserves. The general revenue sources available to the District are a pro rata share of the ad valorem



(property) taxes and interest income. The sewerage system budget was prepared in accordance with the Joint Administration Agreement. In the case of Districts which contract with the City of Los Angeles for sewerage service (District No. 27), the Joint Administration Agreement states that these Districts shall pay one one-hundredth of one percent of all joint expenses. District No. 27 currently owns and operates trunk sewers within the District. However, the District does not own or operate any treatment and disposal facilities. The District contracts for these services with the City of Los Angeles. The District's staff has no direct control over the City of Los Angeles' costs. Thus, the portion of the proposed budget attributable to contract disposal Operations and Maintenance (O&M) and capital is a direct reflection of the City of Los Angeles' O&M and capital costs. The local O&M and local capital costs only reflect the cost of operating and maintaining the District's local sewer system.

5. Wastewater Budget Matters for Fiscal Year 2018-19. (5) Attached is a copy of the proposed budget for FY 2018-19 for Newhall Ranch Sanitation District with a breakdown of the items included in the budget. It is divided into two sections: anticipated expenses and projected revenues. The only budget resource for Newhall Ranch Sanitation District at this time is payments from Newhall Land and Farming that are placed in an escrow account to be used as reimbursement for staff costs. The sewerage system budget was prepared in accordance with the Joint Administration Agreement. In the case of Districts that do not have an active sewerage system (Newhall Ranch Sanitation District), the Joint Administration agreement states that these Districts shall pay one one-hundredth of one percent of all joint expenses.

6. Re: Newhall Ranch Specific Plan. (5) In 2014, the Newhall Ranch Sanitation District (NRSD) held its first meeting and took actions enabling staff to conduct basic business of the District. As the District prepares to begin providing service, a number of additional routine actions must be taken. These actions are consistent by those of the nearby Santa Clarita Valley Sanitation District. The proposed wastewater and recycled water ordinances provide the District with the legal authority to enforce local, state, and federal requirements on discharges to the sewer and users of recycled water, respectively. The third ordinance prohibits the use of salt water pools in the District, which if not controlled, could contribute to a violation of discharge limitations for chloride. Adoption of CEQA guidelines is needed so that future amendments to the state's CEQA requirements will automatically be incorporated into NRSD's procedures.

- (1) Introduce *Ordinance Providing for the Administration of an Industrial Wastewater Control System; for the Regulation of Sewer Construction and Sewer Use; for the Imposition of Permit Requirements for Industrial Wastewater Dischargers; for the Prohibition, Regulation and Pretreatment of Industrial Wastewaters; for the Imposition of Fees and Charges; for the Distribution of Revenue; for the Implementation of Federal and State Pollution Control Regulations and for the Implementation of Other Methods of Controlling and Regulating the Discharge of Wastewaters* (Wastewater Ordinance) and Waive Reading of Said Wastewater Ordinance in its Entirety
- (2) Introduce *Ordinance Providing for the Establishment and Enforcement of Regulations Pursuant to Water Recycling Requirements for Recycled Water Users* (Recycled Water Ordinance) and Waive Reading of Said Recycled Water Ordinance in its Entirety
- (3) Introduce *Ordinance Prohibiting Installation of, or Conversion to, a Sewer-Connected Salt Water Swimming Pool* (Salt Water Pool Ordinance) and Waive Reading of Said Salt Water Pool Ordinance in its Entirety
- (4) Adopt *Local Procedures Implementing the California Environmental Quality Act Adopted by the County Sanitation Districts of Los Angeles County* (CEQA Guidelines), Incorporating by Reference State of California Environmental Quality Act Guidelines

The NRSD was formed in March 2014. At that time, numerous actions were taken to allow for administration of the District. However, as development begins within the District, additional administrative actions are necessary to provide efficient service. A summary of each action for consideration at the June 2018 Board meeting is provided below.

- Wastewater Ordinance (Attachment 1) - The Sanitation Districts' industrial waste pretreatment program was established to allow the Sanitation Districts' treatment plants to comply with effluent discharge requirements; to protect the public, the environment, Sanitation Districts' personnel, and Sanitation Districts' facilities from potentially harmful industrial wastes; and to ensure that industrial users pay their fair share of treatment operations and maintenance costs. To achieve these objectives, in 1972, each of the Sanitation Districts (all independent districts) in existence at the time adopted the Wastewater Ordinance, which provides the legal authority to enforce Sanitation Districts'

local requirements as well as all appropriate state and federal regulations. As such, the NRSD must adopt the Wastewater Ordinance to regulate industrial discharges.

- Recycled Water Ordinance (Attachment 2) - The California Regional Water Quality Control Board, Los Angeles Region, is expected to adopt Water Recycling Requirements (also known as a "Master Recycling Permit") for the future Newhall Ranch Water Reclamation Plant (NRWP) delegating permitting authority for the use of reclaimed water to the NRSD. As a condition of this authority, the NRSD is required to establish and enforce rules or regulations for reclaimed water users governing the design, construction, and use of reclaimed water facilities. In order to comply, the NRSD must adopt an ordinance governing the activities associated with implementing the Master Recycling Permit.
- Salt Water Pool Ordinance (Attachment 3) - The Santa Clarita Valley Sanitation District (SCVSD) adopted an ordinance limiting the availability, or prohibiting the installation, of certain salt water swimming pools that discharge into local sewers that are tributary to the sewer system. Because some properties within the NRSD boundaries will discharge to a community sewer system that is tributary to the SCVSD sewer system, those dischargers must comply with SCVSD's ordinance. Also, limiting the availability, or prohibiting the installation, of certain salt water swimming pools that will discharge to the NRWRP, when constructed, is necessary to ensure compliance with NRSD's waste discharge requirements. The proposed Salt Water Pool Ordinance would ban the installation and conversion to a salt water swimming pool, where such pools are connected to the sewer.
- CEQA Guidelines (Attachment 4) - The proposed CEQA Guidelines are specific procedures or provisions in order to tailor the general provisions of the State CEQA guidelines to the specific operations of the NRSD. These guidelines incorporate, by reference, the State CEQA Guidelines so future amendments to the State CEQA Guidelines will automatically be incorporated into the NRSD's local procedures.

If the Board introduces the proposed Ordinances it is recommended the Board consider adoption at the September 11, 2018 regular meeting. Please call me at 562-908-4288, ext. 1501, or Ray Tremblay at 562-908-4288, ext. 2701, for any comments or questions.

Very truly yours,



Grace Robinson Hyde

GRH:drs  
Enclosures