

AMENDED JOINT ADMINISTRATION AGREEMENT

This Amended Joint Administration Agreement is entered into by the following:

- COUNTY SANITATION DISTRICT NO. 1 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 3 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 4 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 8 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 9 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 15 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 16 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 17 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 18 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 19 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 20 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 21 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 23 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 27 OF LOS ANGELES COUNTY,
- COUNTY SANITATION DISTRICT NO. 28 OF LOS ANGELES COUNTY,

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COUNTY SANITATION DISTRICT NO. 29 OF LOS ANGELES COUNTY,
COUNTY SANITATION DISTRICT NO. 34 OF LOS ANGELES COUNTY,
SOUTH BAY CITIES SANITATION DISTRICT OF LOS ANGELES COUNTY,
SANTA CLARITA VALLEY SANITATION DISTRICT OF LOS ANGELES COUNTY, and
NEWHALL RANCH SANITATION DISTRICT OF LOS ANGELES COUNTY.

This amended agreement is made in consideration of the following matters:

A. The aforesaid County Sanitation Districts have heretofore been organized and are now existing and exercising their functions as public agencies pursuant to the provisions of the County Sanitation District Act (Chapter 3, Part 3, Division 5 of the Health and Safety Code of the State of California).

B. All of said Districts, parties hereto, with the exception of the Newhall Ranch Sanitation District, have previously entered into a Joint Administration Agreement dated July 1, 1965, and amendments thereto, including the most recent amendment dated July 1, 1980, all pertaining to the maintenance by said Districts of a single, joint and centralized administrative organization as contemplated by the provisions of Sections 4840, 4841, and 4842 of the Health and Safety Code of the State of California.

C. Said Districts operate a regional system with respect to sewerage and refuse transfer and disposal.

D. The provisions of said Section 4840 of the Health and Safety Code, as amended, permit participation by county sanitation districts in the Public Employees' Retirement System of the State of California.

E. One of the purposes of the Meyers-Milias-Brown Act is to promote the improvement of personnel management and employer-employee relations within the various public agencies within the state.

The establishment of a means of resolving potential disagreements among the Districts with respect to the wages, hours and other terms and conditions of employment of joint employees is essential in order to insure a continuity of service pursuant to the Joint Administrative Organization provided for hereby.

F. It is and will continue to be, to the mutual interest and advantage of said Districts and each of them to have a single, joint and centralized administrative organization, and each of said Districts has so found and declared by resolution adopted by its Board of Directors.

G. With respect to those Districts that have active sewerage systems, it is the intent of the Districts to allocate costs and the ownership of the property hereafter acquired which is necessary to carry out the functions of this Agreement in accordance with the ratio that the number of sewage units attributable to each District bears to the aggregate number of sewage units, as that term is hereinafter defined, attributable to all Districts, parties hereto.

NOW, THEREFORE, it is hereby agreed as follows:

1. JOINT ADMINISTRATIVE ORGANIZATION; DISTRICT NO. 2 APPOINTED AGENT

For the purpose of hiring employees, paying capital costs, maintenance and operation expenses, salaries, wages or other compensation, purchasing or leasing equipment, acquiring land and easements (except as otherwise herein provided), and otherwise conducting and maintaining the centralized joint administrative organization provided for hereby, County Sanitation District No. 2 of Los Angeles County, (hereinafter District No. 2) is hereby designated to act on its own behalf and on behalf of all other Districts, parties hereto.

Each of the signatory Districts, and such other Districts as may hereafter become parties to this agreement, acting jointly and for their mutual advantage, shall have a single and centralized administrative organization (hereinafter referred to as the Joint Administrative Organization) to provide for and perform the administration of the affairs of each and all of said Districts and the construction, supervision, operation, and maintenance of the sanitation works and refuse transfer and disposal works of each of said Districts; and for that purpose all of said Districts shall have the same Chief Engineer and General Manager (hereinafter Chief Engineer), Assistant Chief Engineer and Assistant General Manager, and such other officers, employees, and legal counsel, as may be appointed or employed for the mutual advantage of all Districts, parties hereto, by District No. 2 and who shall thereafter perform their respective duties as joint officers, employees or agents of all of such Districts, parties to this Agreement.

2. EXPENSES:

The compensation of all such officers and employees and all other expenses of said Joint Administrative Organization and all costs incurred in connection with the operation and maintenance thereof shall be equitably divided, allocated, and apportioned among the several Districts, parties hereto, and shall be charged to and paid by them in the following manner, to with:

(a) All items of expense which can be readily segregated and allocated shall be charged directly to the District for the benefit of which such expense was incurred, and to this end it is understood that certain employees whose work can be readily segregated, shall nevertheless be employed by District No. 2 for the mutual advantage of all said Districts, but that an accurate record shall be kept of the time of such employees and a charge made directly to the respective Districts for their proportionate share of the compensation payable to such joint employees in accordance with said record. The amounts thus charged to the respective Districts shall be paid by them into the funds of District No. 2 and disbursed by said District as hereinafter provided.

(b) Such portion of the expense incurred in connection with said Joint Administrative Organization as cannot be readily segregated and allocated as hereinabove provided, shall be apportioned and charged to the respective Districts in one of the following methods:

(1) Except as hereafter provided, the amount apportioned to each District shall be in the ratio that the number of sewage units, as that term is hereinafter defined, attributable to such District bears to the aggregate number of sewage units attributable to all of the Districts, parties hereto.

A sewage unit shall be deemed to be 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 basis upon which a sewage unit is determined and the manner in which sewage units are calculated for other than a single family home are set forth on Exhibit "A" hereto.

Except as hereinafter provided, annually, the Chief Engineer shall determine the number of sewage units attributable to each signatory District. Such determination shall govern the allocation of costs for the forthcoming fiscal year.

(2) Districts that do not have an active sewerage system (currently Districts No. 34, and Newhall Ranch Sanitation District) , and Districts that contract for all of their sewage disposal (currently Districts Nos. 4, 9, and 27) shall each pay as its proportion of the Joint Administrative Organization expenses one one-hundredth of one percent (0.01%) of the Joint Administrative Organization costs. Such rate of contribution toward the expenses of the Joint Administrative Organization shall continue unless and until any of said Districts actively engages in the collection, treatment and disposal of sewage.

(c) For the purpose of facilitating the payment of such joint costs, expenses, salaries, wages or other compensation incurred in connection with such Joint Administrative Organization, it is agreed that the portion thereof chargeable to each District, either by direct allocation or by apportionment, as hereinabove provided, shall be paid monthly by each District into the funds of District No. 2 which is hereby designated for this purpose, and District No. 2 shall thereafter use the funds thus paid to it, together with such portion of its own funds as are chargeable therefore for the payment of all such costs, expenses, salaries, wages, or other compensation incurred by, or to be paid in connection with, the maintenance of such Joint Administrative Organization.

3. OWNERSHIP:

The property necessary to carry out the purposes of said Joint Administration Organization are as of the date hereof the land and buildings constituting the Joint Administration Offices located at 1955 Workman Mill Road, Whittier, California, as more particularly described in Exhibit "B" hereto, the vehicles utilized by the personnel whose ordinary office is in the Joint Administration Office Building, and the equipment, furniture and furnishings located therein. It is anticipated that District No. 2, for the benefit of all Districts signatory hereto, will acquire other property for such purposes in addition to or in replacement of the property above described.

All such property heretofore acquired is owned by the signatory Districts in proportion to their contribution to the cost thereof, as reflected on the books of record of the Districts signatory to this Agreement.

Ownership of property hereafter acquired for such purposes shall also be allocated among the parties hereto in proportion to each such District's contribution to the cost thereof; such costs hereafter to be determined proportionately on the basis of sewage units except as to Districts that do not have an active sewerage system or that contract for all of their sewage disposal (currently 4, 9, 27, 34 and Newhall Ranch Sanitation District). Title to all personal property shall be held by District No. 2 for the use and benefit of the Districts, signatory hereto.

Fee title to real property required by the Joint Administrative Organization shall be acquired by, and in the name of, the District in which said land is located, whether such acquisition is by purchase, condemnation, gift or otherwise to be held for the use and benefit of the Districts signatory hereto.

Fee title to real property required by the Joint Administrative Organization but not located within any District signatory hereto, shall be vested in District No. 2 for the use and benefit of said Districts.

4. PERSONNEL COMMITTEE:

From time to time, in accordance with the procedure hereafter prescribed, the Chairperson of each of the signatory Districts shall assemble as a Personnel Committee. The Chairperson of District No. 2 shall act as the Chairperson of said Committee and in the event of his or her absence from any meeting the Directors present shall elect a temporary Chairperson who will preside in the absence of the permanent Chairperson. Districts without active sewerage systems shall not be represented on the Personnel Committee.

A quorum of said Committee shall exist when a majority of the Districts is represented whether or not a majority of the elected Chairpersons are duly assembled. Each District represented at any meeting shall have one vote to be exercised by its Chairperson.

No regular meetings are provided for said Committee. All special, or adjourned special meetings shall be called, conducted, adjourned and continued as provided in the Ralph M. Brown Act (Government Code Sections 54950 et seq.) as that Act may from time to time be amended or as similar Acts governing the conduct of meetings of local agencies may from time to time provide.

Said Committee shall advise and counsel with District management and other representatives of the Districts with respect to personnel management, employer-employee relations, and such other matters as the Chief Engineer may determine to be appropriate. Among other things, said Committee shall meet with and instruct District representatives prior to and during consultations and discussions held with representatives of employee organizations regarding salaries, salary schedules, compensation paid in the form of employee benefits, and other matters which are or may be the subject of meet and confer sessions as contemplated by the Meyers-Milias-Brown Act.

5. EMPLOYER-EMPLOYEE RELATIONS:

Recognizing the necessity for providing a procedure by which the Districts can resolve questions involving employer-employee relations on a basis consistent with the Joint Administrative Organization provided for hereby, said Districts hereby delegate to District No. 2 the authority to act on behalf of and to bind each of the signatory Districts with respect to the following matters:

(a) To adopt annually, or more frequently should the need arise, a resolution or resolutions setting wages and terms and conditions of employment for all District employees. No such resolution shall be adopted until the procedure hereafter set forth has been complied with. Any such resolution shall be in conformity with the determination of the Collective Committee regarding the levels of wages, hours and other terms and conditions of employment for

represented and non-represented employees previously approved and established in accordance with the following procedure.

(1) Not less than once a year on the second Wednesday in June at 2:00 o'clock P.M. all of the Directors of the signatory Districts shall meet in regular session as a Collective Committee at the Districts' Joint Administration Building located at 1955 Workman Mill Road, Whittier, California. The regular meeting above provided for and all adjourned regular, special, or adjourned special meetings shall be called, conducted, adjourned and continued as provided in said Ralph M. Brown Act.

(2) It shall be the responsibility of the Collective Committee to:

(i) Act upon, either by way of approval or disapproval, any Memorandum of Understanding that has been prepared as a consequence of an agreement reached between representatives of the Districts and recognized employee organizations; and

(ii) Establish levels of wages, hours and other terms and conditions of employment for non-represented employees.

(3) With respect to the matters above referred to, each Director shall have only one vote whether or not he or she is a Director of more than one District. A quorum of said Collective Committee shall exist when a majority of the Directors are duly assembled. The action of a majority of the Directors present at any meeting at which there is a quorum shall be the action of said Collective Committee. Any action of said Collective Committee with respect to any matter delegated hereby shall be implemented by District No. 2 as hereinabove set forth.

(4) The Chairperson of the Board of Directors of District No. 2 shall preside as Chairperson of said Committee. In the event of his or her absence from any meeting a majority of the Directors present shall elect a temporary Chairperson who shall preside in the absence of the permanent Chairperson.

(b) To amend, repeal or readopt reasonable rules and regulations for the administration of employer-employee relations under the provisions of the Meyers-Milias-Brown Act, including authority to amend, repeal or readopt the resolution adopted by said District No. 2 on April 14, 1971 Establishing Guidelines for Employee Relations.

(c) If after a reasonable period of time, representatives of said Districts and a recognized employee organization have failed to reach agreement, District No. 2 may authorize mediation and such other advisory procedures as it deems appropriate.

(d) To designate management and confidential employees of said Districts.

(e) To adopt, amend or abolish from time to time class specifications for said Districts.

(f) To take such further action in the field of employer-employee relations as is necessary to further the objectives of the Meyers-Milias-Brown Act or as may be in the best interests of said District, including the initiation or defense of any litigation pertaining to matters involving joint officers or employees.

District No. 2 shall continue to engage on behalf of all of said Districts such legal counsel, engineering, architectural and other consultants as it deems to be in the best interests of said Districts.

6. PUBLIC EMPLOYEES RETIREMENT SYSTEM:

All of the Districts, parties hereto, shall participate in the Public Employees Retirement System of the State of California, as to all employees now or hereafter employed by said Districts and for this purpose District No. 2 is authorized and directed on its own behalf and on behalf of the other Districts, parties hereto, to take such action as may be required to secure such participation in the Public Employees Retirement System.

District No. 2 is hereby designated to have all the powers and perform all the duties of a public agency for the purpose of the Public Employees Retirement law, both in respect to the joint officers and employees of the participating Districts and in respect to the officers and employees separately employed by the participating Districts, and to make all payments to said Public Employees Retirement System and receive disbursements therefrom in the manner contemplated by law, and by such rules and regulations as may now or hereafter be promulgated governing the administration of said Retirement System.

It is understood and agreed that all of the Districts, parties hereto, have heretofore participated in the Public Employees Retirement System and that it is the mutual desire of all Districts that their employees receive benefits on account of service prior to the effective date of this Agreement according to the full formula for the calculation of the benefit under the Retirement System, as heretofore elected by District No. 2, and it is hereby agreed that each District shall contribute and pay into the funds of District No. 2 its proportionate share of the amount that District No. 2 may be required to pay to said Public Employees Retirement System.

The monthly contribution by each District for current service shall be in the same proportion to the total monthly contribution for current service as the total amount paid by each District during such month for salaries and wages, either directly or indirectly, to employees who are members of the Retirement System bears to the total amount paid for salaries and wages during such month by all Districts, parties hereto, to employees who are members of the Retirement System.

For the purpose of making all payments into the Public Employees Retirement System accruing from and after the effective date of this contract, each of the Districts, parties hereto, shall contribute to District No. 2 as the representative of all of the Districts, the amounts at the times and in the manner contemplated by the provisions of law and the rules and regulations of the Public Employees Retirement System.

7. CHIEF ENGINEER:

The Chief Engineer, appointed and employed for the mutual advantage of all Districts, parties hereto, by District No. 2 shall be in charge of the said Joint Administrative Organization and said Chief Engineer shall have sole control of the affairs of the said Joint Administrative Organization and of the administrative affairs of the individual Districts, subject to the terms of this Agreement and to the directions of the Boards of Directors of the respective Districts, parties hereto.

8. DISPUTE:

The books, records and accounts relating to said Joint Administrative Organization shall at all reasonable times be open for inspection to the Board of Directors of any of said Districts and/or to any person interested therein.

Should any dispute or controversy arise in connection with said books, records or accounts, or in connection with the employment of any officers or employees of said Joint Administrative Organization, or in connection with any of the affairs or operation of said Joint Administrative Organization with respect to any matter not provided for in Sections 4 and 5 hereof, the Board of Directors of each of said Districts shall appoint or designate one member thereof to represent said Board of Directors and said representatives of the various Boards of Directors shall act as a Board of Arbitration in connection with such dispute or controversy, and the findings of fact by a majority of said Board of Arbitration shall be binding and conclusive upon the respective parties hereto.

9. WITHDRAWAL:

This agreement shall continue in effect so long as it shall be to the interest and advantage of two or more Districts, parties hereto. If at any time it should cease to be to the interest and advantage of any District, party hereto, to continue as a party to this Agreement, and its Board of Directors shall so find and

declare by resolution, it may withdraw herefrom and terminate its obligations hereunder after sixty (60) days notice in writing to the other parties hereto of its intention so to do, and by the full and complete discharge of all its debts and obligations hereunder for which it shall be or become liable up to the date of its withdrawal. Should any District withdraw herefrom, this Agreement shall continue in effect thereafter as to the remaining parties hereto in like manner as if said District so withdrawing had never been a party to said Agreement. Any District so withdrawing shall not be entitled to be reimbursed for any contributions previously made by it, directly or indirectly, to the Public Employees Retirement System pursuant to the provisions hereof, and no payment shall be made to such withdrawing District by reason of its proportionate ownership of the property heretofore referred to and each remaining District's ownership thereof shall be augmented proportionately.

10. REFUSE TRANSFER AND DISPOSAL:

Employees engaged in services related to refuse transfer and disposal are joint employees for purposes of this amended Agreement. It is recognized, however, that the capital and operation and maintenance expenses incurred by District No. 2 in its implementation of the various refuse transfer and disposal agreements are recovered from the fees received from these operations. Accordingly, such expenses shall continue to be charged to such revenue rather than to be allocated in the manner set forth in Section 2 hereof, and ownership of the property heretofore described shall not be affected by said refuse transfer and disposal activities. Such employees shall continue to have use of the Joint Administration Building and the equipment, furniture and furnishings located therein and the cost thereof shall continue to be charged to the fees received from these operations.

11. TERMINATION OF PRIOR AGREEMENT:

This Agreement shall not become effective until it is approved and executed by each District. It is mutually agreed that, upon the effective date of this Amended Joint Administration Agreement, the Amended Joint Administration Agreement dated July 1, 1980, shall terminate and be of no further force and effect, but the parties to such Agreement shall nevertheless pay and discharge all obligations previously accrued thereunder.

IN WITNESS WHEREOF, each District has by resolution duly approved and adopted this Amended Joint Administration Agreement and authorized the Chairperson of its Board of Directors to execute the same and deliver it to each of the other Districts signatory to this Agreement.

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 1
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 1 4 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 1 4 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 3
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 1 4 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 4
OF LOS ANGELES COUNTY

[Signature]
Chairperson
JUN 1 2 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 5
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 2 1 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 8
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 1 4 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 9
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 2 8 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 14
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 15 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 15
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 28 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 16
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 28 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 17
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 28 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 18
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 28 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 19
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 14 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 20
OF LOS ANGELES COUNTY

[Signature]
Chairperson
MAY 15 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 21
OF LOS ANGELES COUNTY

Carlos Ramirez
Chairperson
MAY 28 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 22,
OF LOS ANGELES COUNTY

Myra
Chairperson
MAY 28 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 23
OF LOS ANGELES COUNTY

Monika
Chairperson
MAY 14 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 27
OF LOS ANGELES COUNTY

Alfonso
Chairperson
JUN 10 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 28
OF LOS ANGELES COUNTY

David A. Spence
Chairperson
MAY 19 2014

ATTEST:

Kimberly S. Compton
Secretary

COUNTY SANITATION DISTRICT NO. 29
OF LOS ANGELES COUNTY

Shawn
Chairperson
MAY 14 2014

ATTEST:

COUNTY SANITATION DISTRICT NO. 34
OF LOS ANGELES COUNTY

Kimberly S. Compton
Secretary

David A. Spence
Chairperson
JUN 25 2014

ATTEST:

SOUTH BAY CITIES SANITATION DISTRICT
OF LOS ANGELES COUNTY

Kimberly S. Compton
Secretary

[Signature]
Chairperson
MAY 21 2014

ATTEST:

SANTA CLARITA VALLEY SANITATION
DISTRICT OF LOS ANGELES COUNTY

Kimberly S. Compton
Secretary

Lauren L. Weste
Chairperson **PRO TEM**
SEP 10 2014

ATTEST:

NEWHALL RANCH SANITATION DISTRICT
OF LOS ANGELES COUNTY

Kimberly S. Compton
Secretary

[Signature]
Chairperson
MAR 11 2014

APPROVED AS TO FORM:

LEWIS, BRISBOIS, BISGAARD & SMITH LLP

[Signature]
District Counsel

EXHIBIT A

SEWAGE UNIT DETERMINATION AND CALCULATION OF NUMBER OF SEWAGE UNITS DISCHARGED FROM OTHER THAN SINGLE FAMILY HOMES

The Chief Engineer's periodic determination of a sewage unit shall be made on the basis of such sampling and testing procedures as he determines shall fairly measure the average daily amount of discharge measured in terms of flow, chemical oxygen demand, and suspended solids from a single family home (sfh). For the fiscal year 2013-2014 it is agreed that such discharge shall be deemed to be 260 gallons per day (gpd) of flow, 1.22 pounds per day (ppd) of chemical oxygen demand, and 0.59 ppd of suspended solids.

The determination of the number of sewage units from any wastewater discharger shall be calculated by the following formula:

$$\text{Sewage Units} = A \frac{\text{FLOW}_{\text{avg}}}{\text{FLOW}_{\text{sfh}}} + B \frac{\text{COD}_{\text{avg}}}{\text{COD}_{\text{sfh}}} + C \frac{\text{SS}_{\text{avg}}}{\text{SS}_{\text{sfh}}}$$

Where:

1. FLOW_{avg} , COD_{avg} , and SS_{avg} are the average quantities of flow, chemical oxygen demand, and suspended solids, respectively, attributed to a wastewater discharger. Flow is expressed in gallons per day, chemical oxygen demand is expressed in pounds per day, and suspended solids are expressed in pounds per day.
2. FLOW_{sfh} , COD_{sfh} , and SS_{sfh} are the quantities of flow, chemical oxygen demand, and suspended solids, respectively, attributed to the average single family home. Flow is expressed in gallons per day, chemical oxygen demand is expressed in pounds per day, and suspended solids are expressed in pounds per day.
3. A, B, and C are factors that express the relative cost to treat the flow, chemical oxygen demand, and suspended solids components, respectively, of a sewage unit. The sum of the cost factors A, B, and C is one.

The Chief Engineer shall make periodic determinations of the FLOW_{avg} , COD_{avg} , and SS_{avg} from wastewater dischargers to the Districts' sewerage system. The Chief Engineer shall establish the basis of such sampling and testing procedures as he determines shall fairly measure said parameters.

The Chief Engineer shall annually determine the cost allocation factors A, B, and C in the following manner:

1. The total annual operation and maintenance costs, excluding the annual costs for the administration and operation of the industrial waste program, shall be estimated for the accrual year and distributed among the three wastewater charge parameters of flow, chemical oxygen demand, and suspended solids in accordance with the Chief Engineer's determination of the average distribution of such Districts' costs predominantly related to each parameter in the two years prior to the accrual year. For the Joint Outfall Districts, the distribution of operation and maintenance costs shall be based upon the distribution among the three wastewater charge parameters in accordance with the Chief Engineer's determination of the average distribution of Joint Outfall costs predominantly related to each parameter in the two years prior to the accrual year.
2. The total annual net capital costs (total capital costs less grants, gifts, and donations) shall be estimated for the accrual year and distributed among the three wastewater charge parameters of flow, chemical oxygen demand, and suspended solids in accordance with the Chief Engineer's determination of the portion of the Districts' net capital costs predominantly related to each parameter in the accrual year. For the Joint Outfall Districts, the distribution of costs among the three wastewater-charge parameters shall be based on the Joint Outfall net capital costs predominantly related to each parameter in the accrual year.
3. The sum of the total annual accrual year operation and maintenance costs in (1) above and the total annual net capital costs in (2) above shall be used to determine the weighted distribution factors for wastewater charge parameters of flow, chemical oxygen demand, and suspended solids for the accrual year.

A hypothetical example of the cost calculation above described is as follows:

Assume:

1. An industry with flow components as follows:

$$\text{FLOW}_{\text{avg}} = 10,000 \text{ gpd}$$

$$\text{COD}_{\text{avg}} = 500 \text{ ppd}$$

$$\text{SS}_{\text{avg}} = 250 \text{ ppd}$$

2. A sewage unit with flow characteristics as follows:

$$\text{FLOW}_{\text{sth}} = 260 \text{ gpd}$$

$$\text{COD}_{\text{sth}} = 1.22 \text{ ppd}$$

$$\text{SS}_{\text{sth}} = 0.59 \text{ ppd}$$

3. Cost allocation as follows:

$$A = 0.3049$$

$$B = 0.3348$$

$$C = 0.3603$$

$$\text{Sewage Units} = (0.3049) \frac{(10,000 \text{ gpd})}{260 \text{ gpd}} + (0.3348) \frac{(500 \text{ ppd})}{1.22 \text{ ppd}} + (0.3603) \frac{(250 \text{ ppd})}{0.459 \text{ ppd}}$$

$$\begin{aligned} \text{Sewage Units} &= (0.3049) 38.5 + (0.3348) 410 + (0.3603) 424 = 11.7 + 137.3 + 152.8 \\ &= 302 \text{ Sewage Units} \end{aligned}$$

EXHIBIT B

DESCRIPTION OF JOINT ADMINISTRATION OFFICE SITE

That portion of Rancho La Puente, in the County of Los Angeles, State of California, described as follows: Beginning at the most westerly terminus of the southeasterly line of Parcel 2 of the land described in deed to County Sanitation District No. 2, recorded in Book 4118, page 286; thence northeasterly along said southeasterly line and the southeasterly line of the land described in deed to said District recorded in Book 4418, page 147 of official records of said county, to the southwesterly line of land described in the deed to the united States of America, recorded on December 21, 1951, as Instrument No. 1688 in Book 37905, page 287, Official Records of said county:

Thence south $54^{\circ} 42' 32''$ east along said southwesterly line a distance of 164.60 feet; thence south $7^{\circ} 10' 58''$ east to the northerly right-of-way line of Workman Mill Road, 100 feet wide; thence westerly along said northerly right-of-way line to the northeasterly right-of-way line of the Pomona Freeway; thence northwesterly along said northeasterly line to the point of beginning.