

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 2

To be held at the OFFICE OF THE DISTRICT
1955 Workman Mill Road, Whittier, California

In response to concerns about the Novel Coronavirus (COVID-19), and in accordance with the Governor’s Executive Order N-29-20, Directors will attend these meetings via teleconference. To join the meeting, click <https://us02web.zoom.us/j/8091438308> or enter the Meeting ID 809 143 8308 into the Zoom app on your smartphone or computer. Alternatively, you may join by phone by calling (669) 900-9128 and entering the Meeting ID. You may find further information at: www.lacsd.org/aboutus/governance/agenda_and_minutes/default.asp

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY	March 10, 2021	At 1:30 P.M.
Governing Body	Director	Alternate
ALHAMBRA	S. PEREZ	LEE
ARTESIA	TAJ	TREVINO
BELL	SALEH	-----
BELL GARDENS	BARCENA	CHAVEZ
BELLFLOWER	KOOPS	DUNTON
CERRITOS	SOLANKI	BARROWS
COMMERCE	ALTAMIRANO	SORIA
COMPTON	BROWN	CHAMBERS
DOWNEY	FROMETA	BLANCA PACHECO
LONG BEACH	GARCIA	-----
LOS ANGELES CITY	MARTINEZ	BUSCAINO
MONTEBELLO	COBOS-CAWTHORNE	PERALTA
MONTEREY PARK	YIU	LO
NORWALK	J. PEREZ	AYALA
PARAMOUNT	LEMONS	B. OLMOS
PICO RIVERA	ELIAS	CAMACHO
SAN GABRIEL	MENCHACA	LIAO
SOUTH GATE	DAVILA	HURTADO
VERNON	LOPEZ	DAVIS
WHITTIER	VINATIERI	WARNER (Chairperson)
LOS ANGELES COUNTY	SOLIS	MITCHELL

CONSENT AGENDA

1. [Public Comment](#)
2. Approve Minutes of Regular Meeting Held February 24, 2021
3. Approve December 2020 Expenses in Amount of \$18,227,033.19

Summary: Local District expenses represent costs incurred for operations, maintenance, and capital projects that are the sole responsibility of the individual District. Allocated expenses represent the District’s proportionate share of expenses made by District No. 2, the Administrative District, on its behalf pursuant to either the Joint Administration Agreement or the Joint Outfall Agreement. These Agreements provide for the joint administration, technical support and management of the operations, maintenance, and capital costs associated with all of the shared facilities for all of the signatory Districts, along with the methodology for determining the proportionate costs for each participating District. District No. 2 also acts as the Administrative District for the Solid Waste System expenses which are managed pursuant to the Solid Waste Management System Agreement, the Los Angeles County Refuse Disposal Trust Fund Agreement, and a series of Joint Powers Agreements. District No. 2 also acts as the Administrative District for Stormwater Management expenses the Districts incur, and are later reimbursed for, in assisting their member cities and unincorporated Los Angeles County address stormwater compliance issues. A listing of Districts’ payments and previously approved budgets can be found on the Districts’ website at lacsd.org/financial-documents. This item is consistent with the Districts’ Guiding Principle of commitment to fiscal responsibility and prudent financial stewardship.

Local District Expenses:	
Operations & Maintenance (O & M)	\$ 231,993.11
Capital	313,707.02
Allocated Expenses:	
Joint Administration	431,680.90

3. Contd.

Technical Support	555,380.66
Joint Outfall	2,312,693.50
Solid Waste System Expenses:	
Operations & Maintenance (O&M)	9,553,370.25
Allocated Expenses	961,029.60
Capital	3,858,807.62
Stormwater Expenses:	
Operations & Maintenance	<u>8,370.53</u>
Total Expenses	<u>\$18,227,033.19</u>

REGULAR AGENDA

1. Authorize Issuance of Purchase Orders as Follows:

- (a) To APGN Inc., dba APG-Neuros (APGN, Inc.) in Amount of Approximately \$592,000 for High Speed Turbo Blower, Master Control Panel, and Associated Advanced Controls Package for Pomona Water Reclamation Plant (WRP)

Summary: Process air compressors (PACs) provide compressed air for biological treatment which is critical for compliant WRP operation. One of three PACs at the plant has repeatedly failed and is unrepairable. Staff recommends that it be replaced with a turbo blower manufactured by APGN, Inc., which is uniquely constructed with an integrated electrical transformer that will allow the unit to fit within the existing footprint of the failed PAC. This unique feature will minimize installation costs and expedite replacement of the failed PAC. The recommended turbo blower is more energy efficient than the existing PACs and will save in energy costs due to its wider range of operational control and advanced controls package. APGN, Inc., is the only supplier that has turbo blowers with these unique features that meet the District’s needs and that are operating in wastewater treatment facilities within the United States. This item is consistent with the Districts’ Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

- (b) To Carollo Engineers, Inc., in Amount of Approximately \$1,650,420 for Consulting Services in Support of *Joint Outfall System Water Reclamation Plant Master Facilities Plan 2021* (Master Facilities Plan) Update

Summary: The Districts operates five water reclamation plants within the San Gabriel River watershed that produce high quality recycled water for municipal uses. The water reclamation plants require periodic treatment optimization and upgrades to meet changing conditions and regulatory requirements. The intent of the Master Facilities Plan is to identify potential capital improvement needs and develop a plan of implementation over time. Consulting services are necessary to provide specialized expertise to help develop the Master Facilities Plan. A Request for Proposals was sent to 16 consulting firms and 4 responded. Carollo Engineers, Inc., is the highest ranked firm based on technical qualifications and cost. Staff has determined that the activities described are not subject to the provisions of CEQA as they do not constitute a “Project” as that term is defined in California Public Resources Code (“PRC”) Section 21065 and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Section 15378. This item is consistent with the Districts’ Guiding Principle of commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

2. Re: *Long Beach Water Reclamation Plant (WRP) Power Distribution System Modifications Project*

- (a) Authorize Issuance of Purchase Order to Southern California Edison Company (SCE) in Amount of Approximately \$314,000 for Providing Power Service
- (b) Authorize Chief Engineer and General Manager to Execute *Added Facilities Agreement* (Agreement) with SCE

Summary: The Long Beach WRP Power Distribution System Modifications project, previously approved by the Board, includes the replacement of much of the plant’s electrical power system and upgrading it to a redundant design by providing dual power sources for all critical plant loads. The scope of the work includes the replacement of the majority of the low-voltage power distribution equipment which is 50 years old and has become prone to failure. This also includes the replacement of the SCE power service with an upgraded fully redundant service. To complete the work, SCE requires payment of approximately \$314,000 and execution of the Agreement. The replacement and redundancy upgrades will assure continued reliable plant operation. This item is consistent with the Districts’ Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and the commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

3. Approve Change Order No. 1 to Contract No. 5271 with Mladen Buntich Construction Co., Inc., for Construction of Joint Outfall “H” Unit 5A Trunk Sewer Rehabilitation Phase 2 (Project); Resulting in Payment of \$151,000 for Extra Work

Summary: As part of the Project, the contractor was required to divert sewer flows by removing and relocating a stoplog within an existing manhole structure in order to facilitate rehabilitation of the corroded

3. Contd.

sewer pipe. During construction, it was discovered that the stoplog was stuck in place and required that the concrete roof of the manhole structure be removed to provide access to dislodge the stoplog. With the roof removed, the manhole structure and roof were observed to exhibit severely deteriorated concrete surfaces that required repair. The contractor was directed to rehabilitate the manhole structure with a protective coating and to replace the roof in its entirety. This item is consistent with the Districts' Guiding Principles of commitment to protect financial and facility assets through prudent investment and maintenance programs; and the commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness).

4. Approve and Order Executed Retention Modification Agreement (Agreement) with Emerging Acquisitions, LLC dba Bulk Handling Systems Related to Contract No. 5057 for Construction of Puente Hills Materials Recovery Facility (MRF) Recycling Equipment Phase II

Summary: The contractor has completed the installation of the new recycling equipment at the Puente Hills MRF. Although the recycling equipment has been placed into service, there are still submittals, testing and training items that are outstanding and expected to take several more months to complete. The delay in resolving this matter has been primarily due to impacts associated with the pandemic including availability of staff and materials to complete the necessary tasks. The proposed Agreement will reduce the \$804,115.64 in retention currently being withheld by \$603,086.73 to reflect the amount of work that has been completed and is being used by the District. The remaining retention balance is sufficient to cover the pending items. This item is consistent with the Districts' Guiding Principle to protect financial and facility assets through prudent investment and maintenance programs.

5. Re: Wastewater Service Charge

- (a) Order Wastewater Service Charge Report, Containing Description of Each Parcel and Amount of Proposed Wastewater Service Charge for Fiscal Year 2021-22 for Each Parcel (\$181 Per Single-Family Home), Filed with Clerk of Board of Directors of District
- (b) Establish Date, Time, and Place for Public Hearing on Report; Order Publication of Required Public Notices

Summary: Filing of the Service Charge Report is required each year in order to collect the wastewater service charge on the property tax roll. No rate increases are recommended for fiscal year 2021-22. A letter discussing the service charge rate, the fiscal year 2021-22 preliminary budget, and related matters accompanies 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.

6. JOINT CLOSED SESSION with District No. 8 – *Conference with Real Property Negotiators Pursuant to California Government Code Section 54956.8* – Ground Lease Agreement with Wilmington Jaycees Foundation, Inc., (Jaycees) for Wilmington Athletic Complex (WAC) Property, Identified as 1700 S. Figueroa Street, Wilmington, California, Adjacent to Joint Water Pollution Control Plant (JWPCP). District Negotiators: Raymond L. Tremblay, Ajay M. Malik, and Stan Pegadiotes

Summary: The WAC is located adjacent to JWPCP on approximately 18 acres of Districts' property in the Wilmington neighborhood of the City of Los Angeles. In the 1960s, the Districts purchased the vacant land to act as buffer for JWPCP and support potential plant expansion. Starting in 1975, the Districts entered into a series of agreements with the Jaycees, a local non-profit organization, to develop sports fields and ancillary improvements on the property and to organize sporting activities for the benefit of the local community. By the early 2000's, the facilities at the WAC were in need of significant revitalization. In 2013, the Districts entered into a 30-year ground lease agreement (Lease) with the Jaycees. Among other items, the Lease requires the Jaycees to satisfactorily operate and maintain the WAC, as well as to construct certain improvements. The Chief Engineer and General Manager, Districts' Counsel, and Real Property Negotiators will discuss the status of the Jaycees' performance of its obligations under the Lease and potential next steps. *The Board may meet in closed session to discuss this matter with District Counsel and staff.*

Adjourn to Wednesday, March 24, 2021, 11:30 a.m., at Joint Administration Office, 1955 Workman Mill Road, Whittier, California

Status Report: Prior to or during the meeting session, the Chief Engineer and General Manager may update the Directors on various matters concerning the Districts that may be of current interest to the Directors.

Public Comment: Members of the public may address the Board of Directors on any item shown on the agenda or matter under the Board's authority. A "Request to Address Board of Directors" form is available. In compliance with the Americans with Disabilities Act, if you require special assistance to participate in this meeting, please contact the Secretary to the Boards' Office (562) 908-4288, extension 1100. Notification of 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.101 et seq. ADA Title II).

Document Requests: Links to supporting documents are available online at the time of posting. Agendas and supporting documents or other writings that will be distributed to Board members in connection with matters subject to discussion or consideration at this meeting that are not exempt from disclosure under the Public Records Act are available for inspection following the posting of this agenda at the office of the Secretary to the Boards of Directors located at the Districts' Joint Administration Building, 1955 Workman Mill Road, Whittier, California, 90601, or at the time of the meeting at the address posted on this agenda.



February 5, 2021

Boards of Directors
Los Angeles County Sanitation Districts
of Los Angeles County

Directors:

Wastewater Revenue Program For Fiscal Year 2021-22

The agendas for the upcoming meetings of the Boards of Directors contain an item regarding the District's service charges for residential, commercial, and small industrial dischargers which are collected on the property tax roll.

The current service charge rates have previously been adopted by the Boards and no changes are being proposed to these rates. However, in order to continue to collect the service charge on the property tax roll the Boards must take certain actions. Specifically, pursuant to state law, the Boards must: (1) order a Service Charge Report be filed with the District Clerk, (2) establish the date, time, and place for a public hearing on the report; and (3) direct the publication of the required notices.

SERVICE CHARGE AND SURCHARGE RATES

The service charge rates for the current fiscal year are attached. No change to the adopted rates is proposed for fiscal year 2021-22. Multi-family residential units will pay 60% of the adopted single-family home rate and condominiums will pay 75% of the adopted single-family home rate. Likewise, commercial and industrial dischargers will pay in proportion to their use of the wastewater management system compared to a single-family home. Dischargers with verified low water usage (particularly seniors and retirees) may also qualify for a reduced charge.

BUDGET FOR FISCAL YEAR 2021-22

Enclosed for your review is the preliminary budget for fiscal year 2021-22; a list of proposed capital projects (if any); a list of user fees; information on the monies set aside in various funds/reserves; and an explanation of terms used in the budget. The funds and reserves were established and funded in accordance with the District's Wastewater Financial Reserve Policy. If applicable, a preliminary budget for the Joint Outfall System (JOS) for fiscal year 2021-22, a list of proposed JOS capital projects, and information on JOS reserves has also been included to provide more detail on the District's share of Joint Outfall expenses but will only be adopted by District 2, the administrative District for the JOS.

A final budget will be presented to the Board for consideration in June as part of the overall budgetary process, adoption of which will authorize budget appropriations.

LOW WATER REBATE PROGRAM

Because the cost of metering wastewater discharges from individual parcels is impractical and cost prohibitive, discharges are estimated using standard loading factors based on the size and types of facilities located on the parcel. With the ongoing efforts by local communities to conserve water and install low-flow plumbing fixtures, many parcels may be discharging at lower rates than is currently estimated. The Districts' low water rebate program allows parcel owners to apply for a reduction in their service charge rate based on their actual water usage. Staff has conducted a concerted public outreach program, including information on the program in our Proposition 218 notices, newspaper advertisements, and the Districts' website, to ensure that parcel owners are aware of the program.

SUMMARY OF REQUIRED ACTIONS

As previously discussed, the Board must order the filing of a Service Charge Report (enclosed) with the District Clerk. The Board must also schedule a public hearing and instruct the District Clerk to publish newspaper notices to inform the public of the hearing. After the close of its public hearing, the Board will consider adoption of the Service Charge Report, as is required under the California Health and Safety Code in order for the District to continue to collect the previously approved wastewater service charge as a separate line item on the property tax roll. This is the most cost-effective and efficient means of collecting the service charges. It is recommended that the public hearing be set for the date, time and location listed on the agenda.

At the June Board meetings, final budgets will be presented to the Boards of Directors for consideration as part of the overall budgetary process, adoption of which will authorize budget appropriations. In addition, the Boards must take certain administrative actions that are required of all agencies that receive ad valorem taxes. These include establishing by resolution the amount of the tax levy Districts will request from the Los Angeles County Tax Collector and adopting a limit on authorized expenditures of tax proceeds.

Very truly yours,



Robert C. Ferrante

RCF:gc
Enclosures

COUNTY SANITATION DISTRICT NO. 2 SERVICE CHARGE REPORT FOR FISCAL YEAR 2021-22

INTRODUCTION

County Sanitation District No. 2 of Los Angeles County encompasses all or portions of the cities of Alhambra, Artesia, Bell, Bellflower, Bell Gardens, Cerritos, Commerce, Compton, Downey, Long Beach, Los Angeles, Montebello, Monterey Park, Norwalk, Paramount, Pico Rivera, San Gabriel, South Gate, Vernon, and Whittier and unincorporated Los Angeles County.

District No. 2 is one of seventeen (17) contiguous sanitation districts within the urbanized Los Angeles Basin signatory to the Amended Joint Outfall Agreement. These Districts, known as the Joint Outfall Districts, have formed a regional wastewater management system known as the Joint Outfall System. This regional system provides for operation and maintenance of large sewers, pumping plants, inland water reclamation plants, and the Joint Water Pollution Control Plant. These services are essential to protect the public health of the people served by the system.

District No. 2, as a member of the Joint Outfall System, must provide a proportionate share of the revenue required to operate and maintain the facilities. Additionally, District No. 2 is responsible for any costs associated with the local sewers and pumping plants that are owned by District No. 2 and are solely for its benefit. The general revenue sources currently available to the District include a pro rata share of the ad valorem (property) taxes, service charges, industrial wastewater surcharges, grants, state low-interest loans, interest income, contract revenue and reserves. Any surplus will be transferred to designated reserves to meet targeted reserve requirements.

PROPOSED SYSTEM DESCRIPTION

The supplemental revenue required under the *Master Service Charge Ordinance of County Sanitation District No. 2 of Los Angeles County* will be allocated among classes of developed parcels of real property on the basis of use of the sewerage system. The revenue derived from the service charge will be used for operation and maintenance and capital costs.

All industrial dischargers in District No. 2 discharging more than 1.0 million gallons per year are required to file a wastewater surcharge statement as prescribed in the Wastewater Ordinance to pay their appropriate share of the costs based on their use of the sewerage system. All other users of the sewerage system, except for contractual and local government users, will pay service charges.

The basic term used to define the service charge is a sewage unit. A sewage unit represents 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 number of sewage units (SU) per unit of measure shall be determined by the following formula:

$$SU = A \left(\frac{FLOW_{avg}}{FLOW_{sfh}} \right) + B \left(\frac{COD_{avg}}{COD_{sfh}} \right) + C \left(\frac{SS_{avg}}{SS_{sfh}} \right)$$

where:

- A = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to flow;
- B = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to COD;

- C = The proportion of the total operation and maintenance and capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which is attributable to suspended solids;
- FLOW_{sfh} = Average flow of wastewater from a single-family home in gallons per day;
- COD_{sfh} = Average loading of COD in the wastewater from a single-family home in pounds per day;
- SS_{sfh} = Average loading of suspended solids in the wastewater from a single-family home in pounds per day;
- FLOW_{avg} = Estimated flow of wastewater which will enter the sewerage system from a user in gallons per day;
- COD_{avg} = Estimated loading of COD which will enter the sewerage system from a user in pounds per day;
- SS_{avg} = Estimated loading of suspended solids which will enter the sewerage system from a user in pounds per day.

For fiscal year 2021-22, the proportions of the total operation and maintenance and capital costs attributable to flow, chemical oxygen demand, and suspended solids have been assigned the following values:

A	=	0.3049
B	=	0.3348
C	=	0.3603

The service charge for each sewage unit is determined by dividing the total required supplemental revenue by the total number of sewage units in the District. The service charge for each parcel is determined by multiplying the service charge for each sewage unit by the number of sewage units attributable to the parcel, which in turn, is determined by the class of real property and the sewage unit formula and the flow, COD and SS loadings from Table 1, which shows the corresponding value for each class of real property in District No. 2.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2021-22 is \$181 per sewage unit. Parcels with significantly lower water usage may be eligible for a reduced rate pursuant to the terms of the Master Service Charge Ordinance of District No. 2 of Los Angeles County.

DESCRIPTION OF PARCELS RECEIVING SERVICES AND IDENTIFICATION OF AMOUNT OF CHARGE FOR EACH PARCEL

All parcels of real property within the 2021-22 Tax Rate Areas as shown in Table 2 are receiving or benefiting from the services and facilities of District No. 2. Additionally, the parcels listed in Table 3, which do not fall within the Tax Rate Areas shown in Table 2, are receiving or benefiting from the services and facilities of District No. 2. Said parcels are more particularly described in maps prepared in accordance with Section 327, Revenue and Taxation Code, which are on file in the office of the County Assessor, which maps are hereby incorporated herein by reference.

All commercial and institutional parcels assessed a service charge based on the Los Angeles County Assessor's current tax roll shall be charged on the basis of not less than one (1.0) sewage unit.

No charge shall be imposed on the owner or owners of any parcels as to which the fair market value of improvements is less than \$1,000 as determined on the basis of the Assessor's current tax roll. This assumption is predicated on the fact that this type of parcel would be a vacant piece of land; however, should subsequent evaluation reveal that the property is not vacant, then an appropriate service charge would be levied.

**TABLE 1
LOADINGS FOR EACH CLASS OF LAND USE**

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
RESIDENTIAL				
Single Family Home	Dwelling Unit	260	1.22	0.59
Condominiums	Dwelling Unit	195	0.92	0.44
Multi-Unit Residential	Dwelling Unit	156	0.73	0.35
Mobile Home Parks	No. of Spaces	156	0.73	0.35
COMMERCIAL				
Hotel/Motel/Rooming House	Room	125	0.54	0.28
Store	1000 ft ²	100	0.43	0.23
Supermarket	1000 ft ²	150	2.00	1.00
Shopping Center	1000 ft ²	325	3.00	1.17
Regional Mall	1000 ft ²	150	2.10	0.77
Office Building	1000 ft ²	200	0.86	0.45
Medical, Dental, Veterinary Clinic or Building	1000 ft ²	300	1.29	0.68
Restaurant	1000 ft ²	1,000	16.68	5.00
Indoor Theatre	1000 ft ²	125	0.54	0.28
Car Wash				
Tunnel - No Recycling	1000 ft ²	3,700	15.86	8.33
Tunnel - Recycling	1000 ft ²	2,700	11.74	6.16
Wand	1000 ft ²	700	3.00	1.58
Bank, Credit Union	1000 ft ²	100	0.43	0.23
Service Shop, Vehicle Maintenance & Repair Shop	1000 ft ²	100	0.43	0.23
Animal Kennels	1000 ft ²	100	0.43	0.23
Gas Station	1000 ft ²	100	0.43	0.23
Auto Sales	1000 ft ²	100	0.43	0.23
Wholesale Outlet	1000 ft ²	100	0.43	0.23
Nursery/Greenhouse	1000 ft ²	25	0.11	0.06
Manufacturing	1000 ft ²	200	1.86	0.70
Light Manufacturing	1000 ft ²	25	0.23	0.09
Lumber Yard	1000 ft ²	25	0.23	0.09
Warehousing	1000 ft ²	25	0.23	0.09
Open Storage	1000 ft ²	25	0.23	0.09
Drive-in Theatre	1000 ft ²	20	0.09	0.05
Night Club	1000 ft ²	350	1.50	0.79
Bowling/Skating	1000 ft ²	150	1.76	0.55
Club & Lodge Halls	1000 ft ²	125	0.54	0.27
Auditorium, Amusement	1000 ft ²	350	1.50	0.79
Golf Course and Park (Structures and Improvements)	1000 ft ²	100	0.43	0.23
Campground, Marina, Recreational Vehicle Park	Sites, Slips, or Spaces	55	0.34	0.14
Convalescent Home	Bed	125	0.54	0.28
Horse Stables	Stalls	25	0.23	0.09
Laundromat	1000 ft ²	3,825	16.40	8.61

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
COMMERCIAL				
Mortuary, Funeral Home	1000 ft ²	100	1.33	0.67
Health Spa, Gymnasium				
With Showers	1000 ft ²	600	2.58	1.35
Without Showers	1000 ft ²	300	1.29	0.68
Convention Center, Fairground, Racetrack, Sports Stadium/Arena	Average Daily Attendance	10	0.04	0.02
INSTITUTIONAL				
College/University	Student	20	0.09	0.05
Private School	1000 ft ²	200	0.86	0.45
Library, Museum	1000 ft ²	100	0.43	0.23
Post Office (Local)	1000 ft ²	100	0.43	0.23
Post Office (Regional)	1000 ft ²	25	0.23	0.09
Church	1000 ft ²	50	0.21	0.11

**TABLE 2
TAX RATE AREAS IN SANITATION DISTRICT NO. 2**

000078	000079	000111	000115	000116
000117	000118	000119	000120	000121
000140	000141	000143	000146	000166
000167	000171	000194	000195	000202
000228	000373	000486	000517	000526
000532	000747	000748	000822	000827
000841	000877	000884	000885	000886
000894	000895	000901	000902	000903
000904	000905	000916	000917	000923
000924	000926	000928	000929	000930
000932	000940	000960	000964	000984
000985	000986	000996	001008	001010
001019	001032	001040	001048	001053
001058	001059	001061	001076	001079
001080	001084	001091	001097	001318
001817	001820	001822	001832	001834
001836	001839	001840	001841	001843
001846	001847	001848	001850	001851
001965	001966	001967	001971	001976
001979	001989	001997	002000	002004
002009	002013	002014	002019	002151
002244	002247	002248	002252	002254
002255	002257	002259	002263	002267
002268	002269	002271	002272	002273
002275	002277	002282	002290	002308
002315	002335	002336	002339	002350
002369	002373	002375	002524	002569
002578	002623	002624	002808	002824
002825	002867	002868	002883	002891
002892	002893	002897	002911	002946
002965	002972	002978	002985	002996
002998	003000	003005	003006	003007
003230	003231	003233	003234	003235
003236	003237	003238	003242	003243
003246	003247	003248	003249	003251
003252	003253	003261	003263	003264
003265	003266	003267	003268	003269
003271	003273	003274	003275	003276
003278	003281	003282	003283	003284
003285	003286	003289	003291	003292
003294	003297	003301	003304	003305
003307	003310	003313	003314	003319
003324	003334	003342	003347	003669
003670	003673	003676	003678	003679
003832	003879	003880	003922	003925
003926	003927	003930	003933	003963
003967	003969	003983	004979	005301
005316	005350	005496	005924	005956
006229	006232	006289	006290	006293

006294	006296	006307	006308	006309
006310	006311	006313	006314	006315
006316	006318	006319	006320	006321
006323	006324	006325	006326	006327
006328	006329	006330	006331	006332
006333	006334	006336	006337	006338
006340	006341	006342	006348	006349
006350	006351	006352	006353	006354
006355	006356	006357	006358	006359
006361	006362	006363	006364	006365
006367	006368	006370	006372	006377
006383	006384	006385	006386	006388
006391	006392	006396	006397	006399
006404	006410	006411	006435	006436
006443	006451	006457	006459	006467
006468	006480	006484	006485	006486
006487	006488	006489	006490	006491
006492	006493	006494	006495	006496
006497	006498	006500	006510	006512
006513	006514	006515	006516	006517
006518	006519	006520	006521	006522
006534	006537	006637	006638	006651
006652	006655	006656	006670	006671
006758	006764	006765	006769	006771
006772	006870	007224	007227	007256
007257	007258	007259	007260	007261
007262	007272	007273	007275	007290
007294	007300	007316	007324	007339
007340	007341	007342	007343	007344
007346	007347	007348	007349	007351
007354	007356	007357	007358	007359
007362	007367	007370	007371	007372
007373	007375	007376	007377	007379
007381	007579	007933	007934	007935
007936	007937	007942	007944	007946
007947	007948	007950	007951	007952
007953	007954	007955	007956	007957
007958	007959	007960	007961	007962
007963	007965	007966	007967	007968
007969	007971	007972	007973	007975
007976	007977	007978	007979	007980
007983	007984	007985	007986	007987
007988	007990	007991	007992	007993
007995	007996	007997	007998	008003
008010	008200	008461	008465	008467
009188	009200	009201	009213	009215
009220	009236	009417	009614	009698
009874	009881	009883	009975	009976
010207	010495	010496	010615	010717
011103	011104	011105	011106	011125
011126	011250	011271	011272	011273
011274	011275	011276	011277	011278
011280	011281	011282	011283	011284

011285	011296	011380	011976	012131
012384	012385	012460	012462	012464
012465	012681	012682	012683	012733
012734	013186	013232	013237	013242
013353	013456	013885	014358	014365
014388	014461	015189	015190	015191
015192	015461	015510	015623	015624
015698	015700	015708	015715	015721
015767	015768	016085	016086	016088
016102	016103	016104	016232	016269
016297	016318	016466	016474	016500
016751				

**TABLE 3
 PARCEL NUMBERS SERVED BY SANITATION DISTRICT NO. 2
 OUTSIDE OF TAX RATE AREAS**

4231027001	4231027004	4231027008	4231027029	4231027030	4231027031
4231028001	4231028026	4231028027	4231028029	4231028031	4231028032
4231028033	4231028034	4231028035	4231028037	4231028039	4231028040
6233034216	7014001019	7014001020	7014001021	7014001022	7014001023
7014001025	7014001026	7014001027	7014001028	7014001029	7014001030
7014001031	7014001032	7014001033	7014001034	7014001035	7014001036
7014001037	7014001038	7014001041	7101003025	7101004024	7101005025
7101006026	8078023065	8078023066	8078023067		

**County Sanitation District No. 2 of Los Angeles County
Operating Fund Preliminary Wastewater Budget (\$000)
Fiscal Year 2021-22**

	2020-21	2021-22
<u>Beginning Balance</u>	\$ 38,695	\$ 50,988
<u>Sources of Funds</u>		
Service Charge	\$ 38,809	\$ 39,906
Industrial Waste	8,023	8,669
Total Operating Revenues	46,831	48,575
Ad Valorem Taxes	7,365	8,314
Interest	644	769
Total Non-Operating Revenues	8,009	9,083
Transfers from Capital Improvement Funds	2,358	11,884
Total Transfers In	2,358	11,884
Total Sources of Funds	\$ 57,198	\$ 69,542
<u>Use of Funds</u>		
Joint Administration Operations	\$ 12,806	\$ 13,990
Joint Outfall Operations	23,080	25,903
District No. 2 Sewer System Operations	1,623	1,756
Other Operational Expenditures	222	201
Total Operations and Maintenance Expenditures	37,730	41,851
Joint Administration Capital	708	971
District No. 2 Sewer System Capital	1,650	11,840
Total Capital Expenditures	2,358	12,811
Share of Joint Outfall Debt Service	3,433	3,687
Transfers to Designated Reserves	10,141	16,875
Total Use of Funds	\$ 53,663	\$ 75,224
<u>Ending Balance</u>	\$ 42,231	\$ 45,306

**County Sanitation District No. 2 of Los Angeles County
Local Capital Project Preliminary Wastewater Budget (\$000)
July 1, 2021 through June 30, 2022**

Project	Description	2021-22 Budget	Expected Completion	Total Budget (1)
District 2 Interceptor Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	\$ 10,000	2022-23	\$ 23,250
Artesia Extension Trunk Sewer Rehabilitation Phase II	Rehabilitation of corroded sewer	1,750	2021-22	1,850
Douglas Avenue Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	75	2023-24	600
Ruther Avenue Pumping Plant Replacement of Force Main	Replacement of corroded force main	15	2022-23	50
District No. 2 Sewer System		<u>\$ 11,840</u>		
Total Capital Projects		<u>\$ 11,840</u>		

(1) Includes past, current, and future amounts

**County Sanitation District No. 2 of Los Angeles County
Reserve Funds Preliminary Budget (\$000)
Fiscal Year 2021-22**

	Unrestricted	Designated			Restricted	Total
	Operating Fund	Emergency Fund	O&M Financial Stability Fund	Capital Project Financial Stability Fund	Capital Improvement Fund	
Beginning Balance	\$ 50,988	\$ 1,508	\$ 11,504	\$ 12,892	\$ 18,678	\$ 95,570
Total Operating Revenues	48,575	-	-	-	-	48,575
Total Non-operating Revenues (1)	9,083	-	-	-	187	9,270
Total Capital Revenues (2)	-	-	-	-	152	152
Total O&M Expenditures	41,851	-	-	-	-	41,851
Total Capital Expenditures	12,811	-	-	-	-	12,811
Total Debt Service	3,687	-	-	-	-	3,687
Net Transfer to (from) Fund	(4,991)	(0)	16,483	392	(11,884)	-
Ending Balance	<u>\$ 45,306</u>	<u>\$ 1,508</u>	<u>\$ 27,986</u>	<u>\$ 13,285</u>	<u>\$ 7,133</u>	<u>\$ 95,217</u>

(1) Total Non-operating Revenues for Designated and Restricted Reserves represent interest revenue restricted to that fund.

(2) Total Capital Revenues for the Capital Improvement Fund are Connection Fees Received.

**County Sanitation District No. 2 of Los Angeles County
Preliminary Wastewater Budget Rate and Other Information Summary
Fiscal Year 2021-22**

	<u>2020-21</u>	<u>2021-22</u>
<u>Service Charge Rate (\$ per Sewage Unit)</u>	181.00	181.00
<u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per million gallon per year)	923.00	923.00
COD (\$ per 1000 lb)	163.00	163.00
SS (\$ per 1000 lb)	461.10	461.10
Peak Flow (\$ per gpm)	122.10	122.10
Short Form Rate (\$ per million gallon per year)	3,913.00	3,913.00
Liquid Waste Disposal (\$ per 100 gallon)	6.60	6.60
<u>Connection Fee Rate (\$ per Capacity Unit)</u>	1,630	1,630
<u>Projected Sewage Units</u>		
Residential and Commercial	214,412	220,476
Industrial Waste	33,643	34,615
Total Served Sewage Units	<u>248,055</u>	<u>255,092</u>

**Joint Outfall System
Operating Fund Preliminary Wastewater Budget (\$000)
Fiscal Year 2021-22**

	2020-21	2021-22
<u>Beginning Balance</u>	\$ 40,498	\$ 34,590
<u>Sources of Funds</u>		
Industrial Waste	16,341	\$ 13,609
Contract Revenue	15,437	12,716
Operating Payments by Districts	173,144	189,908
Total Operating Revenues	204,922	216,233
Grants	1,151	1,337
Loan Proceeds	54,156	58,593
Loan Payments by Districts	25,756	27,027
Total Capital Revenues	81,063	86,957
Transfers from Capital Improvement Funds	122,068	218,209
Total Sources of Funds	\$ 408,053	\$ 521,399
<u>Use of Funds</u>		
Joint Outfall Sewer System Operations	32,526	33,640
Treatment Plant Operations	161,445	170,583
Composting Facilities Operations	9,008	8,800
Other Operational Expenditures	1,943	3,210
Total Operations and Maintenance Expenditures	204,922	216,233
Joint Outfall Sewer System Capital	16,265	37,174
Treatment Plant Capital	159,949	214,005
Composting Facility Capital	860	1,310
Field Office Capital	300	25,650
Total Capital Expenditures	177,375	278,139
Loan Repayment	25,756	27,027
Total Use of Funds	\$ 408,053	\$ 521,399
<u>Ending Balance</u>	\$ 40,498	\$ 34,590

**Joint Outfall System
Capital Project Preliminary Wastewater Budget (\$000)**

Project	Description	2021-22 Budget	Expected Completion	Total Budget (1)
District 21 Interceptor Sewer Rehabilitation Phase 1	Rehabilitation of corroded sewer	\$ 2,850	2023-24	\$ 6,140
District 5 Interceptor Sewer Rehabilitation Phase 1	Rehabilitation of corroded sewer	3,490	2021-22	3,750
Joint Outfall B Unit 1A Trunk Sewer Rehabilitation Phase 2	Rehabilitation of corroded sewer	8,150	2022-23	21,000
Joint Outfall B Unit 6G Trunk Sewer Rehabilitation	Rehabilitation of corroded sewer	4,000	2022-23	6,200
Joint Outfall G Unit 8 Rehabilitation Phase 1	Rehabilitation of corroded sewer	5,000	2022-23	6,700
Other Sewer Repair and Rehabilitation Projects	Rehabilitation of corroded sewer	10,802	Various	N/A
Pumping Plant Projects	Pumping plant improvements at various locations	2,883	Various	N/A
Joint Outfall Conveyance System		\$ 37,174		
Tunnel and Ocean Outfall Projects	Construction of a third tunnel to convey the effluent from the Joint Water Pollution Control Plant (JWPCP) in Carson to the ocean	\$ 110,000	2025-26	\$ 800,000
Secondary Treatment Projects	Capital expenses related to repairs and general improvements to the Secondary Treatment Systems at various facilities	26,550	2024-25	70,100
Power Distribution System Improvements	Modernization of the power distribution systems at the various treatment plants to include redundant power feeds to improve the maintainability and reliability of those systems	12,065	2024-25	58,660
Contingency for Treatment Plant Projects	Contingency funding for unplanned capital projects at the various treatment plants	3,278	Various	N/A
Treatment Plant Concrete Protection Projects	Replacement of protective liners at the various treatment plants that have been subjected to significant corrosion	18,110	2024-25	61,600
Solids Handling Projects	Capital expenses related to repairs and general improvements to the Solids Handling Systems at various facilities	500	2022-23	20,000
Primary Treatment Projects	Capital expenses related to repairs and general improvements to the Primary Treatment Systems at various facilities	11,620	2024-25	30,650
MWD Advanced Water Treatment Projects	Remediation of contaminated soil on undeveloped land slated for future AWTF project being pursued with MWD and project planning	8,200	2024-25	17,400
Treatment Plant Security Improvements	Improvements to security at various treatment plants	2,165	2022-23	5,050
Process Air Compressor Replacement	Replacement of outdated PACs to improve efficiency and reduce energy costs at various facilities	14,750	2023-24	35,900
Laboratory Improvements	Improvements to various Laboratory facilities	1,317	Various	N/A
Treatment Plant Optimization Analysis	Technical analysis of WRPs to optimize operations in order to meet current and future permit requirements and optimize recycled water production	1,000	2023-24	1,900
JWPCP Flare Station Expansion	Replacement of outdated flares and installation of additional flares and necessary electrical upgrades to accommodate additional gas from the Food Waste Receiving Facility	3,680	2022-23	6,400
Filtration Projects	Capital expenses related to repairs and general improvements to the Filter Systems at various facilities	770	2022-23	1,700
Treatment Plants		\$ 214,005		
Tulare Lake Composting Projects	Improvements to the Tulare Lake Composting facility	\$ 1,310	Various	N/A
Composting Facilities		\$ 1,310		
Field Office Improvements	Renovations to Compton Field Office	\$ 25,650	2022-23	\$ 70,150
Field Offices		\$ 25,650		
Total Capital Projects		\$ 278,139		

(1) Includes past, current, and future amounts

**Joint Outfall System
Reserve Funds Preliminary Budget (\$000)
Fiscal Year 2021-22**

	Unrestricted	Restricted		Total
	Operating Fund	Capital Improvement Fund	TLC Corrective Action Fund	
Beginning Balance	\$ 34,590	\$ 302,971	\$ 410	\$ 337,971
Total Operating Revenues	216,233	-	4	216,237
Total Non-operating Revenues (1)	-	3,030	-	3,030
Total Capital Revenues (2)	86,957	5,198	-	92,155
Total O&M Expenditures	216,233	-	-	216,233
Total Capital Expenditures	278,139	-	-	278,139
Total Debt Service	27,027	-	-	27,027
Net Transfer to (from) Fund	218,209	(218,209)	-	-
Ending Balance	<u>\$ 34,590</u>	<u>\$ 92,989</u>	<u>\$ 414</u>	<u>\$ 127,993</u>

(1) Total Non-operating Revenues for Designated and Restricted Reserves represent interest revenue restricted to that fund

(2) Total Capital Revenues for the Capital Improvement Fund are Connection Fees Received.

Sanitation Districts of Los Angeles County
Wastewater Budget Explanation and Glossary of Terms
Fiscal Year 2021-22

Introduction

The budget package for each District consists of the following sections:

- **Operating Fund Wastewater Budget:** Details of the sources and uses of funds for the Operating Fund, which is the only Unrestricted Reserve fund as described in the District’s wastewater reserve policy. The preliminary budget for the upcoming fiscal year is compared to the final adopted budget for the current fiscal year.
- **Proposed Capital Projects:** Shows major capital projects budgeted expenditures for the fiscal year. If a District has no major capital projects budgeted, this section is omitted.
- **Designated and Restricted Reserve Budget:** Provides beginning and ending balances of each category of reserves along with major inflows to and outflows from that reserve.
- **Rate and Other Information Summary:** Shows current and budgeted rates for the various user fees; summary of projected sewage units; and other metrics.

Terms used in the Budget

Below are explanations of budget line items and other terms used in the budgets. Note that some terms may not apply for certain Districts.

Operating Fund Beginning Balance	Projected cash balance in the Operating Fund as of July 1 at the beginning of the fiscal year shown.
Ad Valorem Taxes Revenue	The District’s share of Ad Valorem (property) taxes paid by property owners in the District.
Service Charge Revenue	Fees paid by residential, commercial and small industrial users of the District’s wastewater system. These fees are generally collected on the property tax bill as a separate line item.
Industrial Waste Revenue	Fees paid by large industrial users of the District’s wastewater system.
Contract Revenue	Sales of reclaimed water; commodity and energy revenue; leases; and other similar sources of revenue.
Interest Revenue	Interest generated by District’s Unrestricted and Designated Reserves.
Grant Revenue	Grant proceeds received, generally state and/or federal grants toward capital projects.

Loan Proceeds	Funds received from loans taken out to finance capital projects, primarily State Revolving Fund Clean Water Loans.
Transfers from Capital Improvement Funds	Funds transferred from Capital Improvement Funds to be used toward capital expenditures.
Joint Administration Operations Expenditures	The District's share of Joint Administration Operating Expenditures less any operational or non-operational Joint Administration Revenues
Joint Outfall Operations Expenditures	The District's share of Joint Outfall System Operating Expenditures less any operational or non-operational Joint Outfall System Revenues
District's Sewer System Operations Expenditures	Expenditures related to operating and maintaining the District's sewers and pumping plants.
Treatment Plant Operations Expenditures	Expenditures related to operating and maintaining treatment plants.
Composting Facility Operations and Maintenance Expenditures	Expenditures related to operating and maintaining composting facilities.
Contract Disposal Operations and Maintenance Expenditures	Expenditures related to the operation and maintenance for conveyance and treatment of wastewater performed by another entity.
Other Operational Expenditures	The District's operational expenditures that are not directly related to the District's facilities, such as insurance, annexations, and certain regulatory work.
Joint Administration Capital Expenditures	The District's share of Joint Capital Expenses minus Joint Capital Revenues.
District Sewer System Capital Expenditures	Capital expenditures related to rehabilitation or expansion of the District's sewers and pumping plants.
Treatment Plant Capital Expenditures	Capital expenditures related to upgrade, repair or expansion of treatment plants.
Composting Facility Capital Expenditures	Capital expenditures related to upgrade, repair or expansion of composting facilities.
Field Office Capital Expenditures	Capital expenditures related to upgrade, repair or expansion of field offices.
Contract Disposal Capital Expenditures	Capital expenditures related to conveyance and treatment of wastewater performed by another entity.

Loan Repayment	Interest and principal payments toward loans, primarily State Revolving Fund Clean Water Loans.
Bond Repayment	Interest and principal payments toward bond debt.
Transfers to Designated Reserves	Surplus funds at the end of the fiscal year not required for operating or cash-flow purposes that are transferred to designated reserves. Designated reserves are primarily used to help stabilize future rates and to set aside funds for future capital projects.
Operating Fund Ending Balance	Projected balance in the Operating Fund as of June 30 at the end of the fiscal year shown.