

MINUTES OF THE SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF
COUNTY SANITATION DISTRICT NO. 14
HELD AT THE OFFICE OF THE DISTRICT
VIA TELECONFERENCE

September 10, 2020
11:30 o'clock, A.M.

Pursuant to the call of the Chairperson and upon written notice of the secretary setting the time and place of a special meeting and mailed to each Director at least 24 hours before the meeting, a special meeting of the Board of Directors of County Sanitation District No. 14 of Los Angeles County was held at the office of the District, 1955 Workman Mill Road, Whittier, California, via teleconference on September 10, 2020, at 11:30 a.m., for the purpose of:

1. Approve Minutes of Adjourned Regular Meeting Held June 11, 2020
2. Approve April, May, June, and July 2020 Expenses in Amount of \$5,628,696.08
3. Re: Refinancing of District Debt

There were present: Steven Hofbauer, Director from Palmdale
Kathryn Barger, Director from Los Angeles County
Marvin Crist, Chairperson pro tem, Alternate Director from Lancaster

Absent: None

Also present: Kimberly S. Christensen, Secretary to the Board
Brant Dveirin, District Counsel

RE: MINUTES Upon motion of Director Hofbauer, duly seconded and unanimously carried by a roll-call vote, the minutes of the Adjourned Regular meeting held June 11, 2020, were approved.

RE: DISTRICT EXPENSES The following expenses for the months of April, May, June, and July 2020 were presented and upon motion of Director Barger, duly seconded and unanimously carried by a roll-call vote, were approved:

Local District Expenses:	
Operations & Maintenance (O & M)	\$4,101,192.51
Capital	122,865.89
Legal	186,240.12
Allocated Expenses:	
Joint Administration	660,882.16
Technical Support	537,388.08
Legal	20,127.32
Total Expenses	<u>\$5,628,696.08</u>

RE: REFINANCING OF DISTRICT DEBT DISCUSS The Chief Engineer and General Manager reported that over the last 15 years, the District has constructed a number of large capital projects, most significant of which was the expansion of the Lancaster Water Reclamation Plant in 2005. Bonds issued in 2005 (and subsequently refunded in 2015) and State Revolving Fund loans were used to fund the work. The total principal balance of the debt is approximately \$187 million with an average interest rate of 4.5 percent. There is an opportunity to refund the existing debt with new bonds and save roughly \$1 million per year over 15 years.

Upon motion of Director Hofbauer, duly seconded and unanimously carried by a roll-call vote, the report was received and filed and the Board endorsed District staff to move forward with refinancing the existing debt with new bonds.

In connection with the District's Eastern Agricultural Effluent Management farmland, the Chairperson pro tem stated that the use of unused corners, approximately 10 acres per corner, of the District's farming property could be used for nonprofits farming operation. He spoke with the District's farmers and stated that they will help with plowing.

He requested that staff bring a proposal to the Board that would provide use of District water at a reduced rate. He surmised that only 1-2.5 AF of water would be needed. Donating water and land would be a good thing for the District and the farmers will clear the land and help.

Director Hofbauer suggested using a sublease with the District's farmer. Director Barger stated she endorsed this matter.

The Chief Engineer and General Manager stated that there is no recycled water available. All of the recycled water is contracted out. The District does have approximately 100 AF of groundwater that could be made available. He stated that at the next meeting staff would bring back some options.

MARVIN CRIST
Chairperson pro tem

ATTEST:

KIMBERLY S. CHRISTENSEN
Secretary

/ak