

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 28

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 | | May 26, 2021 | | At 1:30 P.M. |
| CURTIS | EICH | DAVITT (Chairperson) | GUNTER | WALKER |

1. Public Comment
2. Approve Minutes of Regular Meeting Held April 28, 2021
3. Approve March 2021 Expenses in Amount of \$54,823.72

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 District. A listing of Districts’ payments and previously approved budgets can be found on the Districts’ websites 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) | \$ 729.20 |
| Allocated Expenses: | |
| Joint Administration | 10,285.43 |
| Technical Support | 7,191.07 |
| Joint Outfall | <u>36,618.02</u> |
| Total Expenses | <u>\$54,823.72</u> |

4. Re: Service Charge Report
 - (a) Hold Public Hearing on Service Charge Report
 - (b) Adopt Service Charge Report

Summary: Holding a public hearing and then adopting 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 this matter, together with a copy of the Service Charge Report, preliminary budget, and a budget explanation and glossary, 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.

Adjourn

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.



**LOS ANGELES COUNTY
SANITATION DISTRICTS**
Converting Waste Into Resources

Robert C. Ferrante
Chief Engineer and General Manager

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May 7, 2021

Boards of Directors
Los Angeles County Sanitation Districts

Directors:

Service Charge Report for Fiscal Year 2021-22

The agendas for the upcoming meetings of the Board of Directors for each District contain an item regarding the Service Charge Report filed with the Districts' Clerk earlier this year. **Adoption of the Report is needed for the continued collection of service charges on the property tax roll for residential, commercial and small industrial dischargers.**

The current service charge rates have previously been adopted by the Boards and no changes are being proposed to these rates.

Prior to considering adoption of the Report, the Boards must hold public hearings. Each Districts' Board of Directors has previously set the date, time, and location for the public hearing. Notice of the public hearing was published twice in newspapers of general circulation within each District. Public testimony will be accepted at the hearing and all written comments must be received at or by this time. After all public input has been received by the Board, the public hearing will be closed, and the Board will consider adoption of the Report.

Enclosed with this letter is a copy of the Service Charge Report, a copy of the preliminary fiscal year 2021-22 District budget, a copy of the preliminary fiscal year 2021-22 Joint Outfall System budget (if applicable), and a budget explanation and glossary.

Very truly yours,

Robert C. Ferrante

RCF:drs
Enclosures

COUNTY SANITATION DISTRICT NO. 28 SERVICE CHARGE REPORT FOR FISCAL YEAR 2021-22

INTRODUCTION

County Sanitation District No. 28 of Los Angeles County encompasses a portion of the city of La Cañada Flintridge.

District No. 28 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. 28, 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. 28 is responsible for any costs associated with the local sewers that are owned by District No. 28 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. 28 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. 28 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:

$$\text{SU} = A \left(\frac{\text{FLOW}_{\text{avg}}}{\text{FLOW}_{\text{sft}}} \right) + B \left(\frac{\text{COD}_{\text{avg}}}{\text{COD}_{\text{sft}}} \right) + C \left(\frac{\text{SS}_{\text{avg}}}{\text{SS}_{\text{sft}}} \right)$$

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 | = | 0.5596 |
| B | = | 0.1583 |
| C | = | 0.2821 |

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. 28.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2021-22 is \$144 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 Sanitation District No. 28 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. 28. 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 | 208 | 0.98 | 0.47 |
| Multi-Unit Residential | Dwelling Unit | 156 | 0.73 | 0.35 |
| Mobile Home Parks | No. of Spaces | 156 | 0.73 | 0.35 |
| COMMERCIAL | | | | |
| Golf Course – Club House | Water (MGY) | 2,740 | 26.07 | 0.21 |
| 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. 28

| | | | | |
|--------|--------|--------|--------|--------|
| 004008 | 004011 | 004012 | 004013 | 004016 |
| 004017 | 004029 | 004069 | 004070 | 004717 |
| 004722 | 004725 | 004734 | 004737 | 005380 |
| 005451 | 005485 | 005562 | 005565 | 005566 |
| 005567 | 005568 | 005574 | 005575 | 005776 |
| 012608 | 013227 | 014649 | 014766 | 014838 |
| 014839 | 014840 | 014842 | 014843 | 014846 |
| 014849 | 015278 | 015280 | 015282 | 015284 |
| 015287 | 016133 | | | |

**County Sanitation District No. 28 of Los Angeles County
Operating Fund Preliminary Wastewater Budget (\$000)
Fiscal Year 2021-22**

| | 2020-21 | 2021-22 |
|---|-----------------|-----------------|
| <u>Beginning Balance</u> | \$ 1,043 | \$ 653 |
| <u>Sources of Funds</u> | | |
| Service Charge | \$ 646 | \$ 678 |
| Total Operating Revenues | 646 | 678 |
| Ad Valorem Taxes | 706 | 778 |
| Interest | 85 | 82 |
| Total Non-Operating Revenues | 791 | 860 |
| Transfers from Capital Improvement Funds | 13 | 7 |
| Total Sources of Funds | \$ 1,450 | \$ 1,545 |
| <u>Use of Funds</u> | | |
| Joint Administration Operations | \$ 202 | \$ 228 |
| Joint Outfall Operations | 416 | 475 |
| District No. 28 Sewer System Operations | 20 | 21 |
| Other Operational Expenditures | 43 | 41 |
| Total Operations and Maintenance Expenditures | 680 | 765 |
| Joint Administration Capital | 13 | 17 |
| Total Capital Expenditures | 13 | 17 |
| Share of Joint Outfall Debt Service | 62 | 68 |
| Transfers to Designated Reserves | 1,084 | 594 |
| Total Use of Funds | \$ 1,839 | \$ 1,444 |
| <u>Ending Balance</u> | \$ 654 | \$ 754 |

**County Sanitation District No. 28 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 | \$ 653 | \$ 50 | \$ 7,218 | \$ 256 | \$ 2 | \$ 8,179 |
| Total Operating Revenues | 678 | - | - | - | - | 678 |
| Total Non-operating Revenues (1) | 860 | - | - | - | 0 | 860 |
| Total Capital Revenues (2) | - | - | - | - | 5 | 5 |
| Total O&M Expenditures | 765 | - | - | - | - | 765 |
| Total Capital Expenditures | 17 | - | - | - | - | 17 |
| Total Debt Service | 68 | - | - | - | - | 68 |
| Net Transfer to (from) Fund | (587) | - | 605 | (10) | (7) | - |
| Ending Balance | \$ 754 | \$ 50 | \$ 7,823 | \$ 245 | \$ - | \$ 8,872 |

(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. 28 of Los Angeles County
Preliminary Wastewater Budget Rate and Other Information Summary
Fiscal Year 2021-22**

| | 2020-21 | 2021-22 |
|--|----------------|----------------|
| <u>Service Charge Rate (\$ per Sewage Unit)</u> | 144.00 | 144.00 |
| <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> | 3,979 | 3,979 |
| <u>Projected Sewage Units</u> | | |
| Residential and Commercial | 4,489 | 4,706 |
| Total Served Sewage Units | 4,489 | 4,706 |

**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. |

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| 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. |