



RE: DISTRICT EXPENSES

The following expenses for the month of November 2021 were presented and approved:

Local District Expenses:	
Operations & Maintenance (O & M)	\$ 108,354.87
Capital	88,705.95
Allocated Expenses:	
Joint Administration	456,138.11
Technical Support	555,152.39
Joint Outfall	2,576,945.45
Solid Waste System Expenses:	
Operations & Maintenance (O&M)	11,539,712.99
Allocated Expenses	927,098.57
Capital	548,673.91
Stormwater Expenses:	
Operations & Maintenance	<u>8,895.32</u>
Total Expenses	<u>\$16,809,677.56</u>

**REGULAR AGENDA**

RE: WASTEWATER MANAGEMENT  
SAN JOSE CREEK WATER RECLAMATION  
PLANT FLOW EQUALIZATION EXHAUST  
FAN ACCESS PLATFORMS - AUTHORIZE  
ISSUANCE OF PURCHASE ORDER TO  
ACCO ENGINEERED SYSTEMS

The Flow Equalization (FE) System is constructed with an open-air dry well, which is approximately 50 feet below the ground surface. In order to maintain proper ventilation for the system, continuously operating exhaust fans are mounted on the top of the dry well but are difficult to access and present a fall hazard for maintenance staff.

The construction of OSHA-compliant steel access platforms and railing around the exhaust fans will provide safer and more efficient access for routine fan maintenance and repair activities by eliminating an existing fall hazard exposure. Pursuant to authority previously granted by the Board, the San Jose Creek Water Reclamation Plant (WRP) Flow Equalization Exhaust Fan Access Platforms (Project) will be completed utilizing the Job Order Contracting program which relies on pre-established, competitively-bid construction tasks that will accelerate project delivery and reduce administration and design costs. Staff has determined that the activities described herein are exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code Section 21084 and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Section 15301. This item is consistent with the Districts’ Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to provide reliable and responsible services with safety first. A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Acco Engineered Systems in Amount of Approximately \$189,967 for San Jose Creek Water Reclamation Plant Flow Equalization Exhaust Fan Access Platforms.

Upon motion of Director Solis, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to Acco Engineered Systems for San Jose Creek Water Reclamation Plant Flow Equalization Exhaust Fan Access Platforms, at a cost of approximately \$189,967.

RE: SOLID WASTE MANAGEMENT  
VEHICLE TELEMATICS HARDWARE  
AND SERVICE FOR TWO-YEAR PERIOD  
AUTHORIZE ISSUANCE OF PURCHASE  
ORDER TO VERIZON CONNECT TELO INC.

The Districts has been using telematics on fleet vehicles and mobile equipment since 2009 to collect information for optimizing operations and maintenance. Telematics systems can communicate vehicle location and operating data to computer systems using wireless technology.

Verizon Connect Telo Inc. (Verizon) has been providing vehicle telematics services to the Districts’ on-road vehicle fleet for the past four years. Other service providers were evaluated, and Verizon service was determined to be comparable and more cost effective when considering staff time to transition to a different service. It is recommended that the Districts utilize the Sourcewell Cooperative Purchasing Agreements (SCPA) to purchase the Verizon hardware and service for 678 Districts’ vehicles for a two-year period. The SCPA provides nationally leveraged and competitively solicited purchasing contracts. Purchasing the Verizon services through the SCPA would be the most cost-effective means of procurement. 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). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing

Agent, to issue a purchase order to Verizon Connect Telo Inc., in the amount of approximately \$300,000 for vehicle telematics hardware and service for a two-year period.

Upon motion of Director Solis, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to Verizon Telo Inc., for the vehicle telematics hardware and service for a two-year period, at a cost of approximately \$300,000.

RE: TECHNICAL SERVICES - TECHNICAL ADVISORY SERVICES FOR ASSESSING EFFECTS OF WATERBODY TEMPERATURE ON AQUATIC LIFE IN SAN GABRIEL RIVER WATERSHED - AUTHORIZE ISSUANCE OF PURCHASE ORDER TO LARRY WALKER ASSOCIATES, INC.

The Los Angeles Regional Water Quality Control Board (Regional Board) recently lowered requirements for temperature in surface water discharge permits issued to the San Jose Creek, Pomona, Whittier Narrows, Long Beach, and Los Coyotes Water Reclamation Plants (WRPs). Because the WRPs cannot immediately comply with the new requirements, the Regional Board established a 10-year schedule to bring each treatment plant into

compliance. The schedule allows the Districts to conduct temperature studies in surface waters within the San Gabriel River Watershed and, if appropriate, propose new site-specific temperature objectives that are protective of receiving waters. A Request for Proposals was issued for consulting services to assess the effects of waterbody temperature on aquatic life in the watershed, and four proposals were received. Larry Walker Associates, Inc., was ranked as the most qualified firm to provide the required services, and a cost proposal of approximately \$530,000 for consulting services was provided. Staff has determined that the Technical Advisory Services for Assessing Effects of Waterbody Temperatures on Aquatic Life in the San Gabriel River Watershed (Project) is exempt or otherwise not subject to the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations ("CEQA Guidelines") Sections 15306, 15307, and 15308. 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). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to Larry Walker Associates, Inc., in the amount of approximately \$530,000 to provide technical advisory services for assessing effects of waterbody temperature on aquatic life in the San Gabriel River Watershed.

Upon motion of Director Solis, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to Larry Walker Associates, Inc., to provide technical advisory services for assessing effects of waterbody temperature on aquatic life in the San Gabriel River Watershed, at a cost of approximately \$530,000.

RE: TECHNICAL SERVICES - REPLACEMENT OF HEATING, VENTILATION, AND AIR CONDITIONING UNITS AT SAN JOSE CREEK WATER QUALITY LABORATORY AUTHORIZE ISSUANCE OF PURCHASE ORDER TO ACCO ENGINEERED SYSTEMS

The San Jose Creek Water Quality Laboratory (SJCWQL) has six Heating, Ventilation, and Air Conditioning (HVAC) units that are critical for the proper ventilation and removal of any indoor air pollutants to ensure sample integrity during the analytical testing process. The current HVAC units have been unreliable with numerous maintenance and repair issues or long lead

times for repair parts; the units are no longer under manufacturer warranty, which expired in 2018. The replacement of heating, ventilation, and air conditioning units at San Jose Creek Water Quality Laboratory (project) includes removal and replacement of six HVAC units. Pursuant to authority previously granted by the Board, the project will be completed utilizing the Job Order Contracting Program which relies on pre-established competitively-bid construction tasks that will accelerate project delivery and reduce administration and design costs. Staff has determined that the activities described are not subject to the provisions of California Environmental Quality Act (CEQA). The activities described herein do not constitute a "Project" as that term is defined in California Public Resources Code Section 21065 and Title 14 of the California Code of Regulations ("CEQA Guidelines") Section 15378. This item is consistent with the Districts' Guiding Principles to protect financial and facility assets through prudent investment and maintenance programs; and commitment to operational excellence (protection of public health and the environment, regulatory compliance, and cost effectiveness). A recommendation was made to authorize the Chief Engineer and General Manager, in his capacity as Purchasing Agent, to issue a purchase order to ACCO Engineered Systems in the amount of approximately \$672,288 for the replacement of heating, ventilation, and air conditioning units at the San Jose Creek Water Quality Laboratory.

Upon motion of Director Solis, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to Acco Engineered Systems for replacement of heating, ventilation, and air conditioning units at the San Jose Creek Water Quality Laboratory, at a cost of approximately \$672,288.

RE: RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A MASTER OBLIGATION AGREEMENT, AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A JOINT ACQUISITION AGREEMENT AND A BOND PURCHASE AGREEMENT IN CONNECTION WITH THE ISSUANCE OF LOS ANGELES COUNTY SANITATION DISTRICTS FINANCING AUTHORITY REVENUE BONDS, 2022 SERIES A (GREEN BONDS) (SRF LOANS REFUNDING), APPROVING THE ISSUANCE OF SAID BONDS AND THE FORM OF THE INDENTURE PURSUANT TO WHICH THE SAME ARE TO BE ISSUED, AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS ADOPT

Prior to meeting in regular session, the Chief Engineer and General Manager updated the Directors on the Districts' Clearwater Tunnel Project, the Districts' low-cost loans from the State Water Resources Control Board's Clean Water State Revolving Fund (SRF) and the US Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) program for the various Boards meeting today, as recorded in the Status Report presented on this date.

In regular session, a proposed *Resolution Authorizing The Execution and Delivery by the District of a Master Obligation Agreement, Authorizing the Execution and Delivery by the District of a Joint Acquisition Agreement and a Bond Purchase Agreement in Connection with the Issuance of Los Angeles County Sanitation Districts Financing Authority Revenue Bonds, 2022 Series A (Green Bonds) (SRF Loans Refunding), Approving the Issuance of said Bonds and the form of the Indenture Pursuant to which the same are to be Issued, Authorizing the Distribution of a Preliminary Official Statement and an Official Statement in Connection Therewith and Authorizing the Execution of Necessary Documents And Certificates and Related Actions* was presented. In order to finance the Clearwater Tunnel Project, the Districts applied for low-cost loans from the State Water

Resources Control Board's Clean Water SRF and the US Environmental Protection Agency's WIFIA program. In order to finalize these two loans, 42 existing SRF loans to the Joint Outfall System Districts must be refunded either by paying off with cash reserves or through the issuance of bonds. Staff recommends using cash reserves to pay off the existing loans with a remaining term of less than two years, low balances, or that have pre-paid interest (35 loans for a total of \$46 million). The remaining seven SRF loans (\$100 million) would be refunded with revenue bonds. These actions allow the Districts to move forward with finalizing the WIFIA and SRF loans for the Tunnel Project, which will save up to \$6 million per year compared to market-rate bond financing. The proposed Resolution includes approval of the necessary documents, direction to staff to distribute the documents, and authority for the Financing Authority to sell new revenue bonds on the Districts' behalf. The necessary extensive documents to be considered for the sale of the bonds are available at <https://www.lacsd.org/JOSbonds>. A letter discussing this issue accompanies the agenda. Approval of this does not constitute a "Project" as defined in California Public Resources Code Section 21065 as funds will be used to repay existing financial obligations. This item is consistent with the Districts' Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; and to protect financial and facility assets through prudent investment and maintenance programs. A copy of the proposed Resolution was attached to the agenda. A recommendation was made to adopt the Resolution. Furthermore, a recommendation was made to approve the use of Standard & Poor's Financial Services LLC, at a cost of approximately \$100,000, as the bond rating agency.

Upon motion of Director Solis, duly seconded and unanimously carried by a roll-call vote, the Board of Directors of County Sanitation District No. 2 approved the use of Standard & Poor's Financial Services LLC, at a cost of approximately \$100,000, as the bond rating agency. Furthermore, the following Resolution was adopted:

RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A MASTER OBLIGATION AGREEMENT, AUTHORIZING THE EXECUTION AND DELIVERY BY THE DISTRICT OF A JOINT ACQUISITION AGREEMENT AND A BOND PURCHASE AGREEMENT IN CONNECTION WITH THE ISSUANCE OF LOS ANGELES COUNTY SANITATION DISTRICTS FINANCING AUTHORITY REVENUE BONDS, 2022 SERIES A (GREEN BONDS) (SRF LOANS REFUNDING), APPROVING THE ISSUANCE OF SAID BONDS AND THE FORM OF THE INDENTURE PURSUANT TO WHICH THE SAME ARE TO BE ISSUED, AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, County Sanitation District No. 2 of Los Angeles County (the "District") and certain other County Sanitation Districts of Los Angeles County (collectively, the "MOA Districts") desire to establish the

terms and conditions for the incurrence by each MOA District from time to time of obligations of such MOA District to finance or refinance the acquisition, construction, equipping and improvement of such MOA District's sewerage system and other items with respect thereto that such MOA District may lawfully finance or refinance ("Projects");

WHEREAS, there has been prepared a form of a Master Obligation Agreement, by and among the MOA Districts and Zions Bancorporation, National Association, as master trustee, which sets forth such terms and conditions for the incurrence by each MOA District from time to time of obligations of such MOA District to finance or refinance Projects of such MOA District (such Master Obligation Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Master Obligation Agreement");

WHEREAS, certain of the County Sanitation Districts of Los Angeles County, including the District, commonly referred to as the Joint Outfall Districts (the "Districts"), financed certain capital additions, replacements, betterments, extensions and improvements to their respective sewerage systems with proceeds of loans evidenced by (a) Loan Contract (Contract No. 09-857-550; Project No. 5539-110), by and among the Districts and the State Water Resources Control Board, (b) Loan Contract (Contract No. 13-811-550; Project No. 5892-110), by and among the Districts and the State Water Resources Control Board, (c) Loan Contract (Contract No. 12-832-550; Project No. 7694-110), by and among the Districts and the State Water Resources Control Board, (d) Loan Contract (Contract No. D16-01011; Project No. 8189-110), by and among the Districts and the State Water Resources Control Board, (e) Loan Contract (Contract No. D16-01012; Project No. 8204-110), by and among the Districts and the State Water Resources Control Board, (f) Loan Contract (Contract No. D16-01013; Project No. 8205-110), by and among the Districts and the State Water Resources Control Board and (g) Loan Contract (Contract No. D17-01016; Project No. 8226-110), by and among the Districts and the State Water Resources Control Board (the "State Loans");

WHEREAS, in order to achieve certain savings, each District desires to prepay its respective share of each of the State Loans;

WHEREAS, the Districts desire that the Los Angeles County Sanitation Districts Financing Authority (the "Authority") assist the Districts in financing the prepayment of the State Loans;

WHEREAS, in order to provide funds to prepay the State Loans, the Districts and the Authority desire that the Authority issue its Los Angeles County Sanitation Districts Financing Authority Revenue Bonds, 2022 Series A (Green Bonds) (SRF Loans Refunding) (the "Bonds");

WHEREAS, the Bonds will be issued pursuant to an Indenture by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Indenture");

WHEREAS, the Bonds will be payable from and secured by installment payments (the "Installment Payments") to be made by each District pursuant to a Joint Acquisition Agreement by and among the Districts and the Authority (such Joint Acquisition Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Joint Acquisition Agreement");

WHEREAS, all of the Authority's right, title and interest in and to the Joint Acquisition Agreement (other than such rights of the Authority that are, as provided in the Indenture, retained by the Authority) will, pursuant to the Indenture, be assigned and transferred to the Trustee;

WHEREAS, the rights and obligations of each District under and as provided in the Joint Acquisition Agreement and the Installment Payments of such District, and the rights and obligations of the Trustee, as assignee of the Authority, under and as provided in the Joint Acquisition Agreement and the Installment Payments, will, in all respects, be subject to the rights and obligations of, and the restrictions and limitations on, such District and the Trustee, as assignee of the Authority, under and as provided in the Master Obligation Agreement;

WHEREAS, BofA Securities, Inc. (the "Representative"), on behalf of itself and J.P. Morgan Securities LLC, has presented the Authority and the Districts with a form of Bond Purchase Agreement, pursuant to which the Representative proposes to purchase the Bonds (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Purchase Agreement");

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with the offering and sale of the Bonds has been prepared, which Preliminary Official Statement contains certain information regarding the District, the Master Obligation Agreement, the Joint Acquisition Agreement, the Indenture and the Bonds (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Preliminary Official Statement”);

WHEREAS, there have been prepared and submitted to this meeting forms of;

- (a) the Master Obligation Agreement;
- (b) the Joint Acquisition Agreement;
- (c) the Indenture;
- (d) the Purchase Agreement; and
- (e) the Preliminary Official Statement; and

WHEREAS, the Board of Directors of the District (the “Board of Directors”) desires to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the prepayment of the State Loans and the offering, sale and issuance of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County, as follows:

Section 1. All of the recitals herein contained are true and correct and the Board of Directors so finds and determines.

Section 2. The Master Obligation Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Chairperson of the Board of Directors, the Chairperson *Pro Tem* of the Board of Directors, or such other member of the Board of Directors as the Chairperson may designate, the Chief Engineer and General Manager of the District and the Assistant Chief Engineer and Assistant General Manager of the District (each, an “Authorized Officer”) is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Master Obligation Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The Joint Acquisition Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Joint Acquisition Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that such changes, insertions and omissions shall not result in the aggregate principal amount of Bonds payable from the Installment Payments payable by the District under the Joint Acquisition Agreement initially being in excess of \$8,640,000, shall not result in the final scheduled payment date of the Installment Payments payable by the District under the Joint Acquisition Agreement being later than October 1, 2032 and shall not result in a true interest cost attributable to the Installment Payments payable by the District under the Joint Acquisition Agreement being in excess of 2.00% per annum.

Section 4. The Indenture, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and the issuance of the Bonds on the terms and conditions set forth therein, and subject to the limitations specified therein, is hereby approved; provided, however, that the aggregate principal amount of the Bonds shall not exceed \$100,000,000, the final maturity date of the Bonds shall not be later than October 1, 2032 and the true interest cost for the Bonds shall not be in excess of 2.00% per annum.

Section 5. The Purchase Agreement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, is hereby approved, and each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Purchase Agreement in substantially said form, with such changes, insertions

and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the underwriters' discount for the sale of the Bonds (exclusive of any original issue discount) shall not exceed 0.25% of the initial aggregate principal amount of the Bonds.

Section 6. The information regarding the District, the Master Obligation Agreement, the Joint Acquisition Agreement, the Indenture and the Bonds contained in the Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the distribution of the Preliminary Official Statement in connection with the offering and sale of the Bonds is hereby authorized and approved. If determined by the Authority to be necessary or appropriate, the Authorized Officers are hereby authorized to certify on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by said Rule).

Section 7. The preparation and delivery of a final Official Statement (the "Official Statement"), and its use in connection with the offering and sale of the Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute the final Official Statement and any amendment or supplement thereto, for and in the name of the District.

Section 8. The Board of Directors hereby authorizes the execution and delivery of all agreements, documents, certificates and instruments authorized by this Resolution to be executed and delivered (a) with electronic signatures using DocuSign, as the same may be permitted under the California Uniform Electronic Transactions Act, and (b) with digital signatures using DocuSign, as the same may be permitted under Section 16.5 of the California Government Code.

Section 9. The Authorized Officers and the officers and employees of the District are, and each of them is, hereby authorized and directed, for and in the name and on behalf of the District to do any and all things and to execute and deliver any and all agreements, documents, certificates and instruments that they or any of them deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 10. All actions heretofore taken by the Authorized Officers and the officers and employees of the District with respect to the prepayment of the State Loans and the issuance and sale of the Bonds, or in connection with or related to any of the agreements, documents, certificates or instruments referred to herein, are hereby approved, confirmed and ratified.

Section 11. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 2 of Los Angeles County on February 9, 2022.

AYES: Directors Lee, Taj, Saleh, Dunton, Hu, Mendoza, Sharif, B. Pacheco, R. Garcia, Buscaino, Cobos-Cawthorne, Ramirez, B. Olmos, Menchaca, Davila, Ybarra, Solis, and Warner

NOES: None

ABSTAIN: None

ABSENT: Directors Pulido, H. Lo, Sanchez

RE: SOLID WASTE MANAGEMENT  
WASTE DISPOSAL AGREEMENT  
ATHENS SERVICES - CONTRACT  
NO. 5420 - APPROVE

The Districts previously entered into an agreement to dispose of Municipal Solid Waste (MSW) at Orange County landfills. The terms of the agreement do not allow for MSW to be delivered from Districts' facilities that originated in Orange County or waste generated from Joint Water Pollution Control Plant (JWPCP), which includes material produced from cleaning-out of digesters, grit chambers, and screens. There is estimated to be 17,500 tons per year of MSW from Districts'

facilities and waste generated from JWPCP that cannot be sent to Orange County landfills. Proposals were solicited from landfill operators in the Southern California region that had available capacity for this material. A total of five proposals were received for seven landfills. Proposals were then ranked based on combined cost of transportation and disposal. Athens Services provided the lowest cost proposal for use of the Mid-Valley and San Timoteo Landfills located in San Bernardino County. The proposed *Waste Disposal Agreement* (Agreement) will have no minimum tonnage commitment and allow for disposal through June 30, 2025. MSW disposal and waste generated from JWPCP is set at a rate of \$35 per ton, inclusive of all fees and taxes except for the Los Angeles County export fee and subject to annual Consumer Price Index increases. The Agreement will cost approximately \$2.8 million over the term of the agreement. Staff has determined that the approval of the Agreement does not constitute a “Project” under the California Environmental Quality Act (CEQA) pursuant to California Public Resources Code 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 fiscal responsibility and prudent financial stewardship. A recommendation was made to approve and order executed an Agreement with Athens Services to dispose of MSW at the Mid-Valley and San Timoteo Landfills located in San Bernardino County.

Upon motion of Director Solis, duly seconded and unanimously carried by a roll-call vote, the Board of Directors of County Sanitation District No. 2 of Los Angeles County found and determined that it would be to the advantage of the District to enter into a *Waste Disposal Agreement* with Athens Services providing for the disposal of Municipal Solid Waste at the Mid-Valley and San Timoteo Landfills located in San Bernardino County, as set forth in the Agreement and under terms and conditions contained therein. All the terms and conditions of the *Waste Disposal Agreement*, Contract No. 5420, dated February 9, 2022, were accepted and approved, and the Chairperson and Secretary were authorized to execute the Agreement on behalf of the District.

RE: SERVICE CHARGE REPORT RECEIVE AND ORDER FILED - AN ORDINANCE PRESCRIBING THE SERVICE CHARGE RATE AND MEAN LOADINGS PER UNIT OF USAGE AND PROVIDING FOR THE COLLECTION OF SUCH CHARGES ON THE TAX ROLL - AN ORDINANCE PRESCRIBING INDUSTRIAL WASTEWATER SURCHARGE RATES INTRODUCE - SET PUBLIC HEARING FOR May 11, 2022 AND GIVE REQUIRED NOTICE

Prior to meeting in regular session, the Chief Engineer and General Manager and Mr. Matt Eaton, Head of Financial Management Department, updated the Directors on the Districts’ wastewater rates for the various Boards meeting today, as recorded in the Status Report presented on this date.

In regular session, a report titled *County Sanitation District No. 2 Service Charge Report for Fiscal Year 2022-23*, prepared in accordance with Section 5473 of

the Health and Safety Code of the State of California and which establishes the formula for the calculation of a sewage unit that represents the average daily quantity of sewage flow and strength from a single-family home (SFH), was presented.

A letter describing the required Board actions together with a copy of the Service Charge Report, the preliminary budget, and the proposed service charge rate and industrial wastewater surcharge rate ordinances, accompanied the agenda. In this District, the current service charge rate per single-family home (SFH) is \$15.08 per month (\$181 per year). The proposed rates for fiscal years 2022-23, 2023-24, 2024-25, and 2025-26 are \$15.42 per month (\$185 per year), \$15.75 per month (\$189 per year), \$16.08 per month (\$193 per year), and \$16.42 per month (\$197 per year), respectively. Owners of multiple dwelling units and commercial properties are charged in proportion to their use compared to a SFH. Changes to the Joint Outfall System industrial wastewater surcharge rates are also proposed that result in an overall initial decrease in the rate. 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.

*An Ordinance Prescribing the Service Charge Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 2 of Los Angeles County and Providing for the Collection of Such Charges on the Tax Roll*, was presented and introduction of the Ordinance was recommended.

*An Ordinance Prescribing Industrial Wastewater Surcharge Rates for County Sanitation District No. 2 of Los Angeles County*, was presented and introduction of the Ordinance was recommended.

A recommendation was made that, in accordance with Proposition 218 and with Section 5473 of the Health and Safety Code, the Board instruct the District Clerk to mail individual notices to all affected property owners and to publish newspaper notices to inform the public of the date, time, and place for a combined public hearing on the Service Charge Report, the proposed rates, and the collection of the service charge on the property tax roll. Furthermore, a recommendation was made that a combined public hearing be set for May 11, 2022, at 1:30 p.m. via teleconference. After the public hearing is closed, the Board will consider adoption of the Service

Charge Report, and adoption of the ordinances establishing the service charge and industrial wastewater surcharge rates, with the new rates effective on July 1, 2022.

BE IT RESOLVED, that the Board does hereby fix May 11, 2022 at 1:30 p.m. as the date and time, via teleconference, as the place for a public hearing on *County Sanitation District No. 2 Service Charge Report for Fiscal Year 2022-23*, the proposed service charge and industrial wastewater surcharge rates, and the collection of the service charge on the property tax roll.

The Clerk of this Board shall cause notice of the filing of the Report and the time and place of the public hearing to be published once a week for two successive weeks in *Montebello News*, a weekly newspaper printed and published within the District, and in such other publications as are deemed appropriate by the Chief Engineer and General Manager.

Upon motion of Director Solis, duly seconded and unanimously carried by a roll-call vote, the *County Sanitation District No. 2 Service Charge Report for Fiscal Year 2022-23* was ordered filed with the Clerk of the District. Furthermore, *An Ordinance Prescribing the Service Charge Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 2 of Los Angeles County, and Providing for the Collection of Such Charges on the Tax Roll*; and *An Ordinance Prescribing Industrial Wastewater Surcharge Rates for County Sanitation District No. 2 of Los Angeles County* were introduced and, after a reading of the titles thereof, further reading of said ordinances were waived.

Upon motion of Director Davila, duly seconded and unanimously carried, the meeting was adjourned.

CATHY WARNER  
Chairperson

ATTEST:

KIMBERLY S. CHRISTENSEN  
Secretary

/ee