

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

February 10, 2022  
9:30 o'clock, A.M.

The Board of Directors of County Sanitation District No 14 of Los Angeles County met pursuant to adjournment as ordered by this Board of Directors at the Regular Meeting on January 26, 2022. A copy of the Order of Adjournment was posted as required by law and that proper affidavits of the posting are on file in the Secretary's office.

There were present: Steven Hofbauer, Director from Palmdale  
Kathryn Barger, Alternate 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: PUBLIC COMMENT The Chairperson pro tem announced this was the time for any questions or comments by members of the public.  
There were no public comments or questions to address the Board on any matters.

RE: DIRECTOR FROM LOS ANGELES COUNTY A certificate from the Executive Officer-Clerk of the Board of Supervisors of the County of Los Angeles was presented to the Secretary certifying that pursuant to Section 7 of the Rules of the Board of Supervisors, Supervisor Ms. Holly Mitchell assumed the Office of Chairman of the Board of Supervisors at 9:30 a.m., on Tuesday, December 7, 2021, to serve in such capacity until the election or succession of her successor, which automatically places Supervisor Mitchell on the Board of Directors of this District was accepted and order filed..

Upon motion of Director Barger, duly seconded and unanimously carried by a roll-call vote, the certificate was accepted and ordered filed.

RE: MINUTES Upon motion of Director Barger, duly seconded and unanimously carried by a roll-call vote, the minutes of the special meeting held January 13, 2022, were approved.

RE: DISTRICT EXPENSES The following expenses for the month of December 2021 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)	\$1,068,711.43
Capital	65,898.04
Legal	877.50
Allocated Expenses:	
Joint Administration	119,284.50
Technical Support	135,630.37
Legal	<u>1,590.31</u>
Total Expenses	<u>\$1,391,992.15</u>

RE: RESOLUTION PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY ON MARCH 4, 2020 BY CALIFORNIA GOVERNOR AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODY - ADOPT

A proposed *Resolution of the Board of Directors of the County Sanitation District No. 14 of Los Angeles County Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency on March 4, 2020 by California Governor and Authorizing Remote Teleconference Meetings of the Legislative Body*, was presented. Remote teleconferenced meetings, during the continued existence of the Governor's proclaimed state of

COVID-19 emergency, will be conducted under the provisions of AB 361 which added California Government Code Section 54953(e), to the Brown Act. Under the provisions of AB 361, Government Code Section 54953(e), at their first next meeting, each District must adopt, by majority vote, a resolution making certain findings about the continuing COVID state of emergency and health and safety risks of conducting their meeting in person. By statute, this Resolution and its referenced findings, are only legally valid for 30 days. The Resolution is attached to the agenda. A recommendation was made to adopt the Resolution.

Upon motion of the Director Barger, duly seconded and unanimously carried by a roll-call vote, the following Resolution was adopted:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY  
PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION  
OF A STATE OF EMERGENCY ON MARCH 4, 2020  
BY CALIFORNIA GOVERNOR AND AUTHORIZING  
REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODY

WHEREAS, County Sanitation District No. 14 of Los Angeles County ("District") is committed to preserving and nurturing public access and participation in meetings of the District's Board of Directors and committees; and

WHEREAS, all meetings of the District's Board of Directors are open and public, pursuant to the requirements of the Ralph M. Brown Act (California Government Code Sections 54950-54963) (the "Brown Act"), so that any member of the public may attend, participate, observe and watch the District's Board of Directors conduct business; and

WHEREAS, the Brown Act, Section 54953(e), allows for conducting and participating in meetings by members of a legislative body, without compliance with the requirements of the Brown Act Section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition under the Brown Act Section 54953(e) is the declaration of a state of emergency by the Governor pursuant to California Government Code Section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within California caused by the conditions outlined and described in California Government Code Section 8558; and

WHEREAS, a proclamation of a state of emergency is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-induced disasters; and

WHEREAS, it is further required that the state or local officials have imposed or recommended measures to promote social distancing, or the Board of Directors of the District have held a meeting where it considered and determined that meeting in person would present imminent risks to the health or safety of attendees; and

WHEREAS, such conditions now exist in the District as Governor Newsom declared a State of Emergency on March 4, 2020 as a result of the threat of COVID-19; and

WHEREAS, the Centers for Disease Prevention and Control, in its publication "How to Protect Yourself & Others" updated August 13, 2021, have recommended social distancing practices, including staying 6 feet away from others and avoiding crowds and poorly ventilated spaces in order to protect individuals and others from COVID-19; and

WHEREAS, the County of Los Angeles Department of Public Health Order of the Health Officer issued September 17, 2021 (the "County Order") includes a finding that the existing community transmission of COVID-19 in Los Angeles County remains high and continues to present a high risk of infection and harm to the health of those who are not and cannot be vaccinated against COVID-19 especially when there is an absence of capacity limits and physical distancing requirements for both indoor and outdoor settings. The County Order further finds that COVID-19 infection remains a significant health hazard to all residents; and

WHEREAS, the District's Board of Directors does hereby find that the ongoing and significant risks associated with COVID-19 infection, especially in the absence of capacity limits and physical distancing requirements for indoor activities, on those who are not and cannot be vaccinated, and that COVID-19 infection remains a significant health hazard to all residents, has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of a state of emergency by the Governor of the State of California, and further, ratify the County Order findings related to the ongoing health hazards of COVID-19; and

WHEREAS, as a consequence of the declared state of emergency and the local emergency, the Board of Directors of the District does hereby find that the District shall continue to conduct its meetings in accordance with the provisions and requirements of the Brown Act Section 54953(e), and that the legislative bodies of the District shall comply with the requirements to provide the public with access to, and an opportunity to comment at all meetings of the District's legislative bodies in accordance with the requirements of the Brown Act Section 54953(e)(2); and

WHEREAS, the District will continue its practice of live streaming its meetings via the Zoom software platform which allows members of the public to observe and participate in the meetings via video or call-in options, and will continue to offer members of the public an opportunity to make oral comments during the meetings and/or submit written comments before the meetings.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 14 OF LOS ANGELES COUNTY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true, correct, and are incorporated in this Resolution by reference.

Section 2. Proclamation of Local Emergency. The Board of Directors of the District does hereby proclaim that a local emergency now exists throughout the territory of the District and, as described in the County Order, there remains evidence of sustained and high community transmission rates of COVID-19 resulting in high risks of infection and harm to the health of those who are not and cannot be vaccinated against COVID-19, especially when there is an absence of capacity limits and physical distancing requirements for both indoor and outdoor settings, and COVID-19 infection remains a significant health hazard to all residents of the District.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The District's Board of Directors hereby ratifies the Governor of the State of California's Proclamation of a State of Emergency, effective as of its issuance date of March 4, 2020.

Section 4. Remote Teleconference Meetings. The Chief Engineer and General Manager, staff and legislative bodies are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, without limitation, conducting open and public meetings in accordance with the Brown Act Section 54953(e) and all other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) 30 days after the date of this resolution, or such time that the District's Board of Directors adopts a subsequent resolution in accordance with the Brown Act Section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with the requirements of the Brown Act Section 54953(b)(3).

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 14 of Los Angeles County this 10<sup>th</sup> day of February 2022 by the following vote:

AYES: Three (3)

NOES: None

ABSTAIN: None

ABSENT: None

RE: TECHNICAL SERVICES  
PROVIDE AGRICULTURAL CONSULTING  
SERVICES AND VADOSE ZONE MONITORING  
SYSTEM MAINTENANCE AT LANCASTER  
WATER RECLAMATION PLANT EASTERN  
AGRICULTURAL SITE FOR APPROXIMATELY  
18 MONTHS - AUTHORIZE ISSUANCE OF  
PURCHASE ORDER TO - IRRIGATION  
TRAINING AND RESEARCH CENTER

In March 2018, the Board issued a purchase order to Irrigation Training and Research Center (ITRC), low responsive bidder pursuant to a competitive selection process, for a 4.5-year period to perform permit required work at the Lancaster Water Reclamation Plant (WRP) Eastern Agricultural Site (EAS). ITRC supports groundwater monitoring and provides an agricultural expert to assure that recycled water is applied to crops at the EAS at or below agronomic rates. There are permit related activities that have been initiated but will not be

completed within the original period. ITRC has offered to continue providing support to complete the work at no change to the hourly rate in the existing purchase order. An 18-month extension at this time would be in the best interests of the Districts. 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 Sections 21084 and Title 14 of the California Code of Regulations (“CEQA Guidelines”) Sections 15301 and 15308. This item is consistent with the Districts’ Guiding Principles of commitment to fiscal responsibility and prudent financial stewardship; 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 Irrigation Training and Research Center in the amount of approximately \$136,500 to provide agricultural consulting services and vadose zone monitoring system maintenance at the Lancaster Water Reclamation Plant Eastern Agricultural Site for approximately 18 months.

Upon motion of Director Barger, duly seconded and unanimously carried by a roll-call vote, the Purchasing Agent was authorized to issue a purchase order to Irrigation Training and Research Center to Provide agricultural consulting services and vadose zone monitoring system maintenance at the Lancaster Water Reclamation Plant Eastern Agricultural Site for approximately 18 months, at a cost of approximately \$136,500.

RE: ANNEXATION NO. 434  
RESOLUTIONS AUTHORIZING  
APPLICATION TO LOCAL AGENCY  
FORMATION COMMISSION AND  
APPROVING NEGOTIATED  
EXCHANGE OF PROPERTY  
TAX REVENUES - ADOPT

Annexation No. 434 consists of one proposed auto service shop. Each annexation to the District’s service area requires adoption of two resolutions by the Board. The first resolution authorizes submittal of the annexation application to Local Agency Formation Commission (LAFCO) and consents to a waiver of the LAFCO protest hearing. The second resolution is a joint resolution with agencies that already provide services to

the proposed annexation territory, agreeing to the amount of property tax revenue that will be apportioned to the District in accordance with the Revenue and Taxation Code. A data sheet, map, and Notice of Finding were attached to the agenda. A recommendation was made that the Board Adopt Resolution for Making Application to Local Agency Formation Commission for Annexation and Consent to Waiver of Protest Proceedings. Furthermore, a recommendation was made that the Board Adopt Joint Resolution with County of Los Angeles, Antelope Valley Cemetery District, Antelope Valley Resource Conservation District, and Antelope Valley - East Kern Water Agency, Approving and Accepting Negotiated Exchange of Property Tax Revenues Resulting from Annexation.

Upon motion of Director Hofbauer, duly seconded and unanimously carried by a roll-call vote, the Board of Directors of County Sanitation District No. 14 of Los Angeles County does hereby approve the Joint Resolution of the Board of Supervisors of the County of Los Angeles, the governing bodies of the Antelope Valley Cemetery District, Antelope Valley Resource Conservation District, and Antelope Valley – East Kern Water Agency, and this Board of Directors, approving and accepting the negotiated exchange of property tax revenues resulting from Annexation No. 434 to the District, a copy of which is on file at the Office of the District and by reference incorporated herein as though fully set forth; and the Chairperson and Secretary are authorized to execute the Joint Resolution on behalf of the District. Furthermore, the following resolution was adopted:

#### RESOLUTION

WHEREAS, the Board of Directors of County sanitation District No. 14 of Los Angeles County, hereinafter referred to as “District”, desires to commence proceedings for the annexation to District of certain territory, described in Exhibit “A”, attached hereto and by reference incorporated as a part hereof; and

WHEREAS, said Board of Directors does hereby certify that it has reviewed and considered the environmental documents submitted for the proposed annexation and found said environmental documents to be adequate;

NOW, THEREFORE, said Board of Directors does HEREBY RESOLVE, FIND, AND DECLARE as follows:

1. Application and a proposal is hereby made to the Local Agency Formation Commission of Los Angeles County for a change of organization as follows:
  - (a) This proposal is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with Section 56000, Government Code, State of California.
  - (b) The nature of the proposed change of organization and the name of the District for which such change of organization is proposed are as follows:

The annexation of the territory described in Exhibit "A" hereof to County Sanitation District No. 14 of Los Angeles County.
  - (c) The names of all other affected counties, Districts, or cities are as follows:

Counties: None  
Districts: None  
Cities: Lancaster and Palmdale
  - (d) The territory is uninhabited. A description of the exterior boundaries of such territory is set forth in Exhibit "A" hereof.
  - (e) It is desired that the proposed annexation provide for and be made subject to the following terms and conditions:
    - (1) The retention by District of the deposited sum of \$15,575.00 as the fee required by the Board of Directors for said annexation.
    - (2) The negotiated exchange of property tax revenues between affected agencies resulting from said annexation to District.
  - (f) The reasons for this proposal are as follows:
    - (1) The District is empowered to and is engaged in providing sewerage facilities which can best serve the territory proposed to be annexed with sewage disposal service. Based on the information provided by the property owners, the District's sewerage facilities have or, in accordance with current policy, will have adequate capacity to collect, treat, and dispose of the wastewater anticipated to be generated on the subject property. Actual sewer hook-up will not be allowed until payment of the connection fee and shall be subject to all circumstances then existent including the availability of capacity. Disposal of the treated wastewater will be in accordance with waste discharge permits issued by the appropriate California Regional Water Quality Control Board.
    - (2) Said territory is proposed to be developed, and the property owners have requested in writing that the territory be provided with sewage disposal service.
    - (3) Said territory must be annexed to District before sewage disposal service is provided.
  - (g) This proposal is consistent with the sphere of influence of the District.
  - (h) It is hereby requested that proceedings be taken for the change of organization proposed, according to the terms and conditions stated above and in a manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
2. Said District consents to waiver of protest proceedings pursuant to Section 56663 of the Government Code.
3. The Clerk of the District is hereby authorized and directed to file a certified copy of this resolution with the Executive Officer of the Local Agency Formation Commission of Los Angeles County.

4. No transfer of property tax increments from properties within a community redevelopment project, which are legally committed to a Community Redevelopment Agency, shall be made during the period that such tax increment is legally committed for repayment of the redevelopment project costs.
5. If at any time after the effective date of this resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year.

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 12, 2022 AND GIVE REQUIRED NOTICE

A report titled *County Sanitation District No. 14 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 proposed rates and required Board actions together with a copy of the Service Charge Report, the preliminary budget, the

proposed service charge rate and industrial wastewater surcharge rate ordinances accompanied the agenda. In this District, the service charge rate is currently \$40.66 per month per single-family home (\$487.88 per year). The service charge rate for fiscal year 2022-23, as previously adopted by the Board, is \$43.63 per month (\$523.52 per year). Based on review of the upcoming operating expenses, capital projects and reserve targets, staff recommends that the service charge rate remain at \$487.88 per year and that industrial wastewater surcharge rates remain unchanged. In addition, filing of the Service Charge Report is required each year in order to collect the wastewater service charge on the property tax roll. 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.

The Chief Engineer and General Manager introduced Mr. Matt Eaton, Head of Financial Management Department, to update the Directors on the Districts' wastewater rates.

Mr. Eaton advised that, today, there are a number of actions being recommended related to rates and the service charge, including introduction of a new rate ordinance. A four-year rate package was adopted in 2019 that included increases of \$11.88 per year for four years. For years two and three, the rate increases were suspended due to COVID-19. Rates effective July 1, 2022, per the current ordinance, were set to increase to the same amount (\$40.66 to \$43.63) that was originally passed in 2019.

He stated that following this year's budgeting and rate projection process, staff determined that no increase is necessary on July 1, 2022. For the next few years, it is expected that rates may remain flat, followed by modest increases. The key driver for rates is debt coverage ratio – the ratio of net revenue to debt service payments. This needs to be maintained at target levels in order to meet bond requirements and to avoid a reduced credit rating.

As mentioned last year, the primary reason for the shift to flatter rates is the postponement of the large capital project that involved rebuilding the preliminary and primary treatment system at the Lancaster Water Reclamation Plant. Furthermore, the payoff of the UAL with CalPERS that was approved by the Board last summer is helping with operations and maintenance costs.

He advised that the items on the agenda include introducing new rate ordinances that eliminates the July 1 increase; receiving and filing of the service charge report, which allows charges to be collected on the tax roll; and authorizing other related actions.

The Chairperson pro tem stated that staff did a wonderful job keeping rates down.

Director Barger asked for clarification of modest rate increases.

Mr. Eaton stated that the rate increases would be approximately \$10 per year (2 percent).

Director Barger also stated that staff did a good job.

*An Ordinance Prescribing the Service Charge Rate and Mean Loadings per Unit of Usage for County Sanitation District No. 14 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. 14 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 12, 2022, at 9:30 a.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 12, 2022 at 9:30 a.m. as the date and time, via teleconference, as the place for a public hearing on *County Sanitation District No. 14 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 *Antelope Valley Press*, a daily newspaper there being no newspaper of general circulation within the District printed, and in such other publications as are deemed appropriate by the Chief Engineer and General Manager.

Upon motion of Director Barger, duly seconded and unanimously carried by a roll-call vote, the *County Sanitation District No.14 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. 14 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. 14 of Los Angeles County* were introduced and, after a reading of the titles thereof, further reading of said ordinances were waived.

RE: STATUS REPORT/DIRECTOR COMMENTS  
ITEMS NOT LISTED ON AGENDA

The Chief Engineer and General Manager stated that at the last meeting, Chairperson pro tem Crist requested that staff review and bring back a two-year lease extension for agricultural reuse to match the Antelope Valley Air Quality Management District (AVAQMD) grant agreement timeframes for clean farm equipment with the same operator. Following research, staff determined that the District would need a three-year extension to match the grant agreement timeframes that were provided to us by AVAQMD staff. He advised that staff spoke with Mr. Van Dam and he is requesting a five-year extension. The original lease was a five-year agreement (2017-2022), but was extended in 2020 to 2025). Mr. Van Dam's rental rate was also decreased in 2020 in consideration of pandemic related economic impacts. The Chief Engineer and General Manager advised that staff is seeking Board direction on the duration of the proposed extension and rent.

The Chairperson pro tem suggested a three-year extension to the agreement with two 1-year extension options and both parties can unilaterally cancel the one-year extensions.

Director Barger agreed.

The Chief Engineer and General Manager stated that the existing lease is at fixed rental rate. He requested guidance on the rate.

The Chairperson pro tem stated that the rate should increase. He asked if there are limitations.

The Chief Engineer and General Manager stated that there is no limit. He stated that it can be whatever the Board agrees to with Mr. Van Dam. The District typically increases rental rates according to the Consumer Price Index.

The Chairperson pro tem stated he was ok with the amount with a limit to the increase of 5 percent per year.

The Chief Engineer and General Engineer advised that if staff is able to meet and agree on terms with Mr. Van Dam, an item would be placed on the agenda for the next meeting.

The Chairperson pro tem thanked staff and stated that staff did a good job holding rates at the current level.

Upon motion of Chairperson pro tem, duly seconded and unanimously carried, the meeting was adjourned.

MARVIN CRIST  
Chairperson pro tem

ATTEST:

KIMBERLY S. CHRISTENSEN  
Secretary

/ee