

Notice and Agenda

REGULAR MEETING — BOARD OF DIRECTORS — COUNTY SANITATION DISTRICT NO. 22

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 provisions of California Government Code Section 54953(e), 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: <http://www.lacsd.org/agendas>

THE DISTRICT MAY TAKE ACTION ON ANY AGENDA ITEM LISTED BELOW

WEDNESDAY	February 23, 2022	At 1:30 P.M.
Governing Body	Director	Alternate
ARCADIA	TAY	-----
AZUSA	GONZALES	ALVAREZ
BALDWIN PARK	ESTRADA	M. GARCIA
BRADBURY	LEWIS	BARAKAT
COVINA	MARQUEZ	CORTEZ
DUARTE	FINLAY (Chairperson)	PARAS-CARACCI
GLENDORA	K. DAVIS	ALLAWOS
IRWINDALE	BURROLA	AMBRIZ
LA VERNE	HEPBURN	DAVIS
MONROVIA	ADAMS	SHEVLIN
SAN DIMAS	BADAR	BERTONE
WALNUT	BOB PACHECO	CHING
WEST COVINA	LOPEZ-VIADO	CASTELLANOS
LOS ANGELES COUNTY	MITCHELL	BARGER

1. Public Comment
2. Receive and Order Filed as Follows:
 - (a) Certificate of Ms. Margaret Finlay, Presiding Officer of the City of Duarte
 - (b) Action Appointing Ms. Tzeitel Paras-Caracci as Alternate Director of the City of Duarte
3. Approve Minutes of Regular Meeting Held January 26, 2022
4. Approve December 2021 Expenses in Amount of \$1,432,930.36

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)	\$ 137,489.32
Capital	648.63
Allocated Expenses:	
Joint Administration	214,183.27
Technical Support	174,550.32
Joint Outfall	906,058.82
Total Expenses	<u>\$1,432,930.36</u>

5. Approve *Resolution of the Board of Directors of County Sanitation District No. 22 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*

Summary: 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 and Government Code Section 54953(e), 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.

6. Re: Issuance of Los Angeles County Sanitation Districts Financing Authority Revenue Bonds, 2022 Series A (Green Bonds) (SRF Loans Refunding)

(a) Adopt Resolution Approving Issuance of Bonds and Authorizing as Follows:

1. Execution and Delivery by District of [Master Obligation Agreement](#)
2. Execution and Delivery by District of [Joint Acquisition Agreement](#) and [Bond Purchase Agreement](#) in Connection with Issuance of Bonds
3. Distribution of [Preliminary Official Statement](#) and *Official Statement* in Connection Therewith
4. Execution of Necessary Documents and Certificates and Related Actions

(b) Approve Use of Standard and Poor's Financial Services LLC, at Cost of Approximately \$42,075, as Bond Rating Agency

Summary: 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 State Revolving Fund (SRF) and the US Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (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.

7. Re: Wastewater Revenue Program

(a) Order Wastewater Service Charge Report, Containing Description of Each Parcel and Amount of Proposed Wastewater Service Charge for Fiscal Year 2022-23 for Each Parcel (\$177 Per Single-Family Home), Filed with Clerk of Board of Directors of District

(b) Introduce *An Ordinance Prescribing the Service Charge Rate and Mean Loadings per Unit of Usage for County Sanitation District No.22 of Los Angeles County and Providing for the Collection of Such Charges on the Tax Roll*, and Waive Reading of Said Ordinance in its Entirety

(c) Introduce *An Ordinance Prescribing Industrial Wastewater Surcharge Rates for County Sanitation District No. 22 of Los Angeles County*, and Waive Reading of Said Ordinance in its Entirety

(d) Establish Date, Time, and Place for Public Hearing on Report; Order Publication of Required Public Notices

Summary: 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 accompany the agenda. In this District, the current service charge rate per single-family home (SFH) is \$14.50 per month (\$174 per year). The proposed rates for fiscal years 2022-23, 2023-24, 2024-25, and 2025-26 are \$14.75 per month (\$177 per year), \$15.00 per month (\$180 per year), \$15.25 per month (\$183 per year), and \$15.50 per month (\$186 per year), respectively. Owners of multiple

7. Contd.

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.

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.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE COUNTY SANITATION
DISTRICT NO. 22 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, the County Sanitation District No. 22 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 THE COUNTY SANITATION DISTRICT NO. 22 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 the County Sanitation District No. 22 of Los Angeles County this 23rd day of February 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson



February 4, 2022

Board of Directors
Joint Outfall Districts
Los Angeles County Sanitation Districts

Directors:

Proposed 2022 Revenue Bond Sale

In order to finance the Clearwater Tunnel Project, the Districts applied for low-cost loans from the State Water Resources Control Board's (State Board's) SRF program and the US Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA) program. Both agencies have approved partial funding for the project based on the initial applications (approximately \$127 million and \$440 million, respectively). Since the approval of the applications, Districts staff and legal counsel has been working with both agencies to finalize loan agreements.

One of the more challenging aspects of this process has been revising agreements for 42 existing JOS SRF loans to ensure consistency with the new loans' requirements. Revising the agreements will require at least 6 months of additional work by Districts' bond counsel and State Board legal staff.

On November 15, 2021, the federal government passed an infrastructure funding package that included strict Buy American (BA) requirements that apply to projects funded by either the WIFIA or SRF programs. The BA requirements would be applicable to projects with loan agreements finalized after May 14, 2022 regardless of their construction status. Because construction has already begun on the tunnel project and materials have already been purchased, it is impossible to comply with these strict requirements, and therefore the WIFIA and SRF loan agreements must be finalized by May 14 to obtain this financing.

It is not possible to revise the existing JOS SRF loan agreements in time to meet the May 14 deadline. As a result, Districts' staff is recommending paying off or refunding all of the existing JOS SRF Loans. Staff recommends using cash reserves to pay off all loans with a remaining term of less than 2 years, low balances, or that have pre-paid interest (35 loans for a total of \$46 million). The remaining 7 SRF loans (\$100 M) 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.

Interest rates are now at historic lows and savings can be realized by refinancing the loan principal still outstanding by issuing bonds at a lower interest rate. The loans can be paid off at any time without penalty. Therefore, it is recommended that the District authorize issuing new bonds to pay off the loans. The size of the proposed bond issuance will be approximately \$100 million and will have an interest rate (true interest cost) of approximately 2.0%.

The proposed bonds will be issued and sold by the Los Angeles County Sanitation Districts' Financing Authority, a joint powers authority that was established in 1993 for selling bonds on behalf of the member Districts. The membership consists of all of the active Districts and is governed by a commission consisting of the Chairs of each member District. Each participating District will enter into a separate agreement (the "Joint Acquisition Agreement") with the Financing Authority for the 2022 bonds.

The proposed bonds and the District's ability to repay them must be submitted to a rating agency (Standard & Poor's) for their evaluation. The resulting rating will, in large part, determine the interest rate at which the bonds can be sold. The primary vehicle for submitting this data is the Preliminary Official Statement, a copy of which is included.

To complete the transaction, the District Boards must first authorize the sale of the bonds. This is done through the resolution that is on the upcoming Board meetings. The resolution approves the issuance of the proposed bonds and the form of the Indenture pursuant to which the proposed bonds will be issued and authorizes: the execution of a Master Obligation Agreement, a Joint Acquisition Agreement, and a Bond Purchase Agreement; distribution of the preliminary and an official statements; and execution of necessary documents, certificates and related actions. A resolution is used because the official documents cannot be finalized until after the pricing is complete. The resolution authorizes the Chairperson of the Board of Directors, the Chairperson Pro Tem of the Board of Directors, the Chief Engineer and General Manager of the District, and the Assistant Chief Engineer and Assistant General Manager of the District to sign the final documents after the close of pricing. The Board action also approves the use Standard and Poor's Financial Services LLC as rating agency.

The contents of the necessary documents are summarized below, and the complete documents are provided at <https://www.lacsd.org/JOSbonds>.

- Preliminary Official Statement – This document is equivalent to a prospectus that would be issued when buying or selling stock. It contains general information about the Districts, provides specific historic and projected financial data, gives information on the size of the proposed bond transaction and intended uses of the proceeds, and summarizes the requirements of the other bond documents.
- Master Obligation Agreement – This agreement sets terms and conditions for the incurrence of debt obligations for the Districts. It will be used as a sort of inter-creditor agreement to provide assurances to future debt holders and ensure consistency with future agreements.
- Joint Acquisition Agreement – Through this agreement, the Financing Authority agrees to issue bonds on behalf of the Districts. In return, the Districts covenants to make the debt service payments on behalf of the Financing Authority. As part of its covenants, the Districts agrees to set appropriate service charge rates and to provide continuing disclosure. It also establishes the parameters under which the Districts can undertake additional debt (either bonds or loan).
- Indenture – This agreement is between the Financing Authority and the Trustee (a third party acting on behalf of the bond holders). The Indenture establishes the accounting practices that must be used and creates a flow of funds to ensure that the bondholders are repaid in a timely and orderly fashion.
- Bond Purchase Agreement – This agreement is between the Districts, the Financing Authority and the underwriters. The agreement requires the underwriters to purchase the bonds from the District for resale to the public and requires the Districts, through the Financing Authority, to make the bonds available to the underwriters.

As stated above, this matter will be on the agenda of the upcoming Board meetings and will be discussed with the Directors.

Very truly yours,



Robert Ferrante

RF:av

Enclosures

RESOLUTION OF THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 22 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. 22 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. 22 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 \$7,410,000, 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. 22 of Los Angeles County on February 23, 2022.

AYES:

NOES:

ABSENT:

ABSTAIN:

Chairperson

ATTEST:

Secretary



February 4, 2022

Boards of Directors
Los Angeles County Sanitation
Joint Outfall System Districts (JOS)
of Los Angeles County

Directors:

Wastewater Revenue Program for FY 2022-23 through FY 2025-26

The agendas for the upcoming meetings of the JOS Districts' Boards of Directors contain an item regarding the District's wastewater revenue program. This program requires residential, commercial, and industrial dischargers to pay an annual user charge based upon their use of the Districts' sewerage facilities. Residential, commercial, and small industrial dischargers are covered by the service charge program, which collects user charges on the property tax roll. Large industrial dischargers are required to file surcharge statements and to pay their user charge under the industrial wastewater surcharge program.

In 2017, the Boards adopted ordinances setting service charge and industrial wastewater surcharge rates for fiscal years 2017-18 through 2020-21. Rates remained flat in fiscal year 2021-22. Staff recommends the Boards consider adopting new rates beginning with the 2022-23 fiscal year.

In order to implement new rates and to continue to collect the service charges on the property tax roll, the Board must take certain actions. Specifically, pursuant to state law, the Board must: (1) order a Service Charge Report be filed with the District Clerk, (2) establish the date, time, and place for a public hearing on the report, and (3) direct the publication of the required notices. The Board should also consider introducing the following ordinances at the same time: an ordinance prescribing the service charge rates and mean loadings and providing for the collection of the service charge on the tax roll and an ordinance prescribing industrial wastewater surcharge rates.

This matter was discussed with the Personnel Committee (comprised of the Chairpersons of all of the Districts) on January 26, 2022, which concurred with staff recommendations as outlined below.

JOS AD HOC COMMITTEE

In September 2020, a recommendation was made to the Personnel Committee that a Director Ad Hoc Committee be formed to explore opportunities to improve how sharing of ownership and costs of the JOS are managed. The Committee met five times and a report summarizing the issues and presenting the recommendations was finalized in June 2021. Based on the recommendations of the Committee, a new Joint Outfall Agreement (JO Agreement) was approved by the Boards. Under the JO Agreement, each household and commercial business pays essentially the same amount for service when including the total of Ad Valorem (AV) tax, Service Charge, and use of reserves. Each District sets its own Service Charge to supplement its AV tax revenue and use of reserves in order to meet its financial obligations.

In addition, the JO Agreement requires consolidation of most of each Districts' reserve funds in order to provide reserves for the JOS, since virtually all JOS Districts' expenses will be managed as part of the system. This will require the transfer of approximately \$500 million from individual Districts' reserves into the JOS reserves over a five-year period. Consolidating reserves will lead to additional rate stability and financial resiliency.

SERVICE CHARGE RATES

The proposed service charge rates for the fiscal years 2022-23 through 2025-26 for the JOS Districts are shown in the table below. Multi-family residential units will pay 60% of the adopted single-family home rate and condominiums will pay 75% of the adopted single-family home rate. Likewise, commercial and industrial dischargers will pay in proportion to their use of the wastewater management system compared to a single-family home. Dischargers with verified low water usage (particularly seniors and retirees) may also qualify for a reduced charge.

The recommended service charge increases will help lead to long-term service charge rate stability and ensure reserves approach target levels. For some Districts that have high reserves, their service charge rates drop significantly for several years.

Proposed Service Charge Rates

District	Current	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
District 1	193	196	199	202	205
District 2	181	185	189	193	197
District 3	175	184	193	202	211
District 5	167	171	175	179	183
District 8	198	203	208	213	218
District 15	163	167	171	175	179
District 16	160	160	160	160	160
District 17	161	165	169	173	177
District 18	182	185	188	191	194
District 19	173	175	177	179	181
District 21	179	182	185	188	191
District 22	174	177	180	183	186
District 23	132	0	0	0	0
District 28	144	0	0	0	0
District 29	339.75	349	358	367	376
South Bay Cities	136	75	75	75	75

SURCHARGE RATES

In establishing the industrial wastewater surcharge program, the member Districts of the JOS all concurred that the industrial wastewater surcharge rates should not influence where industries decide to locate. Consequently, they agreed that they would all adopt the same industrial wastewater surcharge rates based on the average cost of operating the JOS. As required by the JO Agreement, each District will adopt an ordinance with this rate and the revenues will be used to offset JOS expenses. In addition to adjusting rates to meet financial needs, the loading factors have also been adjusted based on current estimates of industrial discharge and treatment costs. The recommended industrial wastewater surcharge rates for the next four fiscal years are shown below.

Proposed Surcharge Rates

Parameter	Current	July 1, 2022	July 1, 2023	July 1, 2024	July 1, 2025
Flow (\$ per MGD per year)	923.00	811.00	839.00	865.00	891.00
COD (\$ per 1,000 lb)	163.00	162.40	167.80	173.00	178.20
SS (\$ per 1,000 lb)	461.10	388.10	401.30	413.90	426.20
Peak Flow (\$ per gpm)	122.10	111.00	114.80	118.40	121.90

CONNECTION FEE RATES

The Connection Fee rates will also be revised for fiscal years 2022-23 through 2025-26. The actions related to the Connection Fee will occur in March or April.

BUDGET FOR FISCAL YEAR 2022-23

Enclosed for your review is the preliminary budget for fiscal year 2022-23; a list of proposed capital projects (if any); a list of user fees; information on the monies set aside in various funds/reserves; and an explanation of terms used in the budget. The funds and reserves were established and funded in accordance with the Districts' Wastewater Financial Reserve Policies. A preliminary budget for the JOS for fiscal year 2022-23, a list of proposed JOS capital projects, and information on JOS reserves has also been included to provide more detail on each District's share of JO expenses.

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

LOW WATER REBATE PROGRAM

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

SUMMARY OF REQUIRED ACTIONS

In order to implement new rates, the District must comply with the requirements of both Proposition 218 and the California Health & Safety Code. The first step is to order a Service Charge Report (copy attached) to be filed with the District Clerk. This report contains a description and the amount of the proposed service charge for each parcel, serving as the initial notification to rate payers that new rates are being considered. It also acts as the starting point for the Proposition 218 process in which individual notices are mailed to every property owner in the District. By law, the notice must provide information about the proposed rates and the date, time, and place for a public hearing on those rates. In addition to these minimum requirements, the notice also gives background information about the services being provided, details about a notice through which dischargers can save money (the low-water rebate program), the process for protesting the rates, and a variety of methods by which they can contact Districts' staff for more information. At the same time the Service Charge Report is filed, the Board will be asked to introduce new service charge and industrial wastewater surcharge rate ordinances for the public's review.

At least 45 days after the Prop. 218 notices are mailed, the Board must hold a public hearing on the proposed rates. It is recommended that the public hearing be set for the date, time and location listed on the agenda. After the public hearing is closed, the Board will consider adoption of the Service Charge Report and adoption of the service charge and industrial wastewater surcharge rate ordinances to ensure the new rates become effective on July 1,

2022. Adoption of the Service Charge Report, as is required under the California Health and Safety Code, is necessary in order for the District to continue to collect the approved wastewater service charge as a separate line item on the property tax roll. This is the most cost-effective and efficient means of collecting the service charges.

During the 45-day noticing period the Districts will undertake an extensive public outreach program. As in past years, staff will hold a number of information meetings. A video of the same presentation made at the information meetings will be made available on the Districts website. In addition, virtual tours of Districts' treatment facilities will be conducted for members of the community who have a greater desire to see exactly how their money is being spent. The Districts website has information and documents pertaining to the Districts' finances and will have detailed information about the proposed rate increase. The website also provides information on each owner's specific parcel and charges and explains the low-water rebate program and opportunities for reducing their charges. Lastly, the Districts have a dedicated toll-free telephone number with staff available to answer any questions the public may have.

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

Very truly yours,



Robert C. Ferrante

RCF:gc
Enclosures

**COUNTY SANITATION DISTRICT NO. 22
SERVICE CHARGE REPORT FOR FISCAL YEAR 2022-23**

INTRODUCTION

County Sanitation District No. 22 of Los Angeles County encompasses all or portions of the cities of Arcadia, Azusa, Baldwin Park, Bradbury, Covina, Duarte, Glendora, Irwindale, La Verne, Monrovia, San Dimas, Walnut, and West Covina and unincorporated Los Angeles County.

District No. 22 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. 22, 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. 22 is responsible for any costs associated with the local sewers that are owned by District No. 22 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. 22 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. 22 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 2022-23, the proportions of the total operation and maintenance and capital costs attributable to flow, chemical oxygen demand, and suspended solids have been assigned the following values:

A	=	0.3049
B	=	0.3348
C	=	0.3603

The service charge for each sewage unit is determined by dividing the total required supplemental revenue by the total number of sewage units in the District. The service charge for each parcel is determined by multiplying the service charge for each sewage unit by the number of sewage units attributable to the parcel, which in turn, is determined by the class of real property and the sewage unit formula and the flow, COD and SS loadings from Table 1, which shows the corresponding value for each class of real property in District No. 22.

Based upon presently anticipated sources of funds, the service charge rate for fiscal year 2022-23 is \$177 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 County Sanitation District No. 22 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 2022-23 Tax Rate Areas as shown in Table 2 are receiving or benefiting from the services and facilities of District No. 22. Additionally, the parcels listed in Table 3, which do not fall within the Tax Rate Areas shown in Table 2, are receiving or benefiting from the services and facilities of District No. 22. Said parcels are more particularly described in maps prepared in accordance with Section 327, Revenue and Taxation Code, which are on file in the office of the County Assessor, which maps are hereby incorporated herein by reference.

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

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

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

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

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
COMMERCIAL				
Mortuary, Funeral Home	1000 ft ²	100	1.33	0.67
Health Spa, Gymnasium	1000 ft ²	600	2.58	1.35
With Showers	1000 ft ²	300	1.29	0.68
Without Showers	Average Daily Attendance	10	0.04	0.02
Convention Center, Fairground, Racetrack, Sports Stadium/Arena				
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. 22**

00261	00273	01316	01354	01377
01378	01451	01648	01999	02007
02010	02012	02022	02027	02029
02030	02031	02032	02034	02037
02038	02040	02041	02045	02049
02051	02052	02054	02055	02056
02058	02059	02061	02064	02065
02066	02069	02076	02077	02078
02079	02084	02086	02089	02091
02115	02117	02118	02124	02125
02126	02127	02128	02133	02135
02136	02137	02138	02139	02140
02144	02146	02147	02168	02169
02172	02173	02185	02186	02187
02188	02191	02195	02196	02206
02208	02209	02210	02211	02226
02233	02236	02303	02522	02523
02584	02585	02586	02600	02601
02644	02645	02646	02647	02649
02650	02651	02653	02654	02656
02657	02658	02659	02660	02661
02662	02663	02664	02668	02669
02670	02671	02672	02673	02674
02677	02681	02683	02684	02685
02686	02687	02688	02690	02691
02692	02696	02697	02698	02700
02701	02703	02706	02707	02708
02713	02715	02716	02717	02719
02720	02736	02737	02738	02767
02784	02811	02818	02821	02840

02841	02842	02848	02888	02889
02890	02894	02901	02902	02903
02904	02909	02916	02926	02928
02930	02931	02937	02938	02954
03008	03019	03021	03022	03023
03025	03026	03030	03032	03033
03036	03037	03038	03039	03040
03041	03042	03043	03044	03046
03050	03053	03054	03055	03057
03059	03061	03062	03064	03065
03068	03070	03071	03072	03075
03076	03077	03080	03082	03083
03084	03091	03092	03095	03096
03097	03099	03100	03101	03102
03103	03104	03105	03106	03107
03109	03110	03113	03117	03118
03119	03121	03122	03123	03126
03127	03128	03129	03133	03135
03139	03144	03152	03156	03157
03158	03159	03160	03161	03167
03169	03171	03173	03174	03175
03176	03177	03178	03179	03180
03181	03183	03184	03188	03189
03190	03193	03194	03195	03196
03199	03201	03202	03203	03204
03205	03207	03208	03210	03214
03215	03217	03218	03219	03220
03225	03226	03272	03296	03298
03299	03300	03302	03303	03306
03309	03311	03315	03316	03317
03318	03329	03330	03336	03343
03345	03348	03351	03352	03353

03354	03355	03358	03359	03362
03364	03365	03366	03368	03369
03372	03374	03375	03377	03381
03382	03386	03387	03388	03390
03392	03394	03396	03398	03399
03400	03402	03404	03406	03407
03408	03409	03411	03412	03413
03414	03415	03416	03417	03418
03419	03423	03424	03425	03426
03427	03430	03432	03489	03589
03598	03605	03606	03607	03608
03609	03611	03612	03626	03659
03664	03727	03815	03816	03817
03818	03848	03941	03992	04040
04041	04042	04043	04051	04052
04053	04054	04060	04095	04097
04115	04116	04117	04119	04121
04122	04124	04126	04127	04129
04130	04132	04133	04134	04135
04140	04141	04142	04145	04147
04149	04151	04153	04155	04165
04168	04172	04173	04174	04175
04176	04177	04178	04185	04188
04189	04191	04193	04195	04196
04213	04228	04231	04234	04238
04239	04240	04241	04242	04243
04244	04248	04249	04250	04266
04267	04268	04269	04270	04271
04273	04274	04275	04276	04287
04292	04293	04294	04296	04479
04613	04616	04926	04948	05002
05008	05010	05012	05017	05018

05022	05024	05034	05039	05042
05045	05048	05062	05063	05066
05068	05072	05075	05079	05081
05082	05085	05088	05092	05096
05097	05098	05101	05103	05105
05113	05114	05116	05117	05120
05121	05129	05130	05132	05134
05135	05140	05142	05149	05151
05156	05157	05159	05162	05172
05174	05179	05181	05183	05184
05186	05187	05189	05190	05191
05192	05194	05195	05198	05199
05200	05242	05246	05247	05264
05266	05269	05275	05276	05278
05429	05431	05432	05433	05434
05435	05437	05783	06196	06246
06248	06292	06304	06402	06403
06624	06640	07057	07230	07255
07265	07274	07278	07405	07637
07642	07674	07681	07682	07706
07816	08006	08201	08525	08533
08534	08577	08596	08617	08718
08746	08791	08794	08798	08803
08805	08806	08807	08808	08811
08812	08813	08814	08816	08818
08819	08820	08821	08822	08823
08846	08969	09189	09365	09366
09367	09401	09411	09415	09461
09466	09467	09471	09483	09485
09487	09488	09490	09493	09495
09496	09502	09509	09510	09511
09512	09520	09521	09525	09769

10268	10296	10315	10358	10372
10373	10441	10484	10498	10592
10593	10594	10597	10602	10607
10609	10617	10623	10654	10705
10709	10720	10772	10809	10842
11055	11083	11109	11112	11122
11133	11147	11150	11172	11174
11235	11325	11338	11341	11362
11381	11390	11408	11409	11410
11417	11419	11452	11455	11557
11558	11559	11574	11575	11711
11742	11743	11745	11746	11769
11780	11785	11842	11857	11967
11968	11969	11974	12031	12032
12033	12034	12043	12044	12045
12046	12076	12080	12082	12084
12085	12087	12088	12089	12121
12124	12125	12126	12127	12132
12156	12157	12158	12159	12160
12184	12185	12187	12189	12259
12276	12279	12280	12286	12295
12296	12317	12318	12320	12321
12335	12341	12342	12343	12344
12356	12357	12368	12371	12372
12454	12468	12469	12470	12472
12479	12515	12573	12575	12593
12601	12602	12611	12612	12646
12712	12713	12715	12717	12718
12719	12729	12730	12731	12789
12790	12803	12804	12826	12827
12841	12843	12859	12989	12990
13013	13014	13016	13035	13038

13044	13052	13174	13176	13208
13222	13223	13224	13260	13331
13332	13343	13387	13388	13390
13392	13393	13394	13395	13396
13398	13426	13430	13542	13544
13545	13546	13547	13569	13571
13572	13573	13574	13575	13715
13719	13720	13721	13724	13735
13752	13754	13755	13756	13786
13795	13804	13837	13838	13841
13847	13849	13886	13891	13892
13924	13933	13934	14060	14061
14187	14188	14189	14190	14352
14393	14494	14533	14562	14566
14574	14593	14596	14598	14600
14712	14725	14735	14780	14781
14782	14783	14788	14841	14853
14858	14872	14873	14874	14878
14879	14949	15010	15012	15030
15031	15056	15058	15101	15121
15124	15211	15214	15226	15227
15228	15261	15262	15293	15310
15325	15332	15348	15379	15449
15450	15452	15458	15459	15462
15463	15464	15470	15471	15483
15485	15489	15490	15532	15533
15567	15594	15597	15598	15599
15609	15610	15664	15665	15674
15683	15684	15686	15687	15689
15695	15697	15705	15726	15737
15741	15753	15754	15758	15795
15801	15802	15807	15811	15812

16075	16083	16091	16108	16124
16151	16152	16158	16167	16181
16191	16207	16208	16211	16218
16220	16221	16222	16223	16224
16227	16228	16235	16239	16246
16247	16253	16262	16268	16285
16286	16309	16314	16372	16377
16387	16409	16457	16483	16485
16491	16492	16493	16498	16505
16506	16508	16529	16530	16577
16594	16607	16608	16609	16611
16612	16623	16626	16641	16650
16711	16712	16713	16716	16734
16744	16745	16758	16763	16812
16813	16814	16815	16851	16857
16884	16889	16893	16931	16932
16939	16940	16947	16963	16995

**TABLE 3
 PARCEL NUMBERS SERVED BY SANITATION DISTRICT NO. 22
 OUTSIDE OF TAX RATE AREAS**

2827025003	8277002055	8277008034	8277043021	8277043022	8277043023
8382004064	8382004065	8382004066	8382004067	8382004068	8382004069
8382004070	8382004071	8385023040	8402015082	8402015083	8402015110
8426012013	8426012014	8447029028	8482004002	8482035025	8490022031
8493015031	8493060036	8493060037	8493060038	8493060039	8493060041
8493060042	8493060044	8527016047	8527019042	8527020033	8527020042
8527020043	8527022018	8527022025	8636019022	8636019023	8636027031
8664003029	8664003030	8664003031	8664003032	8664003033	8664003035
8664003036	8664003037	8664004003	8664004004	8664004005	8664004006
8664004007	8664004008	8664004009	8664004010	8664004011	8664004012
8664004013	8664004014	8664004015	8664004016	8664004017	8664004018
8664004019	8664004020	8664004021	8664004022	8664004023	8664004024
8664004025	8664004026	8664004027	8664004028	8664004029	8664004030
8665015027	8665021045	8665027074	8684013088	8684013134	8710001031

**County Sanitation District No. 22 of Los Angeles County
Preliminary Operating Fund Budget (\$000)
Fiscal Year 2022-23**

	Adopted 2021-22	Proposed 2022-23 ⁽¹⁾
<u>Starting Balance</u>	\$ 21,365	\$ 14,255
 <u>Sources of Funds</u>		
Service Charge	\$ 21,423	\$ 22,283
Industrial Waste Charges	894	-
Contract Revenue	10	16
Total Operating Revenue	22,327	22,300
Ad Valorem Tax Revenue	5,097	5,381
Interest ⁽²⁾	677	71
Total Non-Operating Revenue	5,773	5,453
Transfers from Designated Funds	-	7,946
Transfers from Restricted Funds	2,835	-
Total Transfers In	2,835	7,946
Total Sources of Funds	\$ 30,935	\$ 35,699
 <u>Use of Funds</u>		
Joint Administration Operations	\$ 5,763	-
Joint Outfall Operations	13,025	19,270
Sewer System Operations	605	-
Other Operational Expenditures	113	54
Operations and Maintenance Expense	19,506	19,324
Joint Administration Capital	505	-
Joint Outfall Capital	-	8,500
Sewer System Capital	2,330	-
Capital Expense	2,835	8,500
Share of Joint Outfall Debt Service	1,808	-
Debt Service	1,808	-
Transfers to Designated Reserves	4,763	-
Transfers Out	4,763	-
Total Use of Funds	\$ 28,911	\$ 27,824
<u>Ending Balance</u>	\$ 23,389	\$ 22,129

(1) As a result of the Joint Outfall Consolidation effective July 1, 2022, some budget items previously shown on individual District budgets will now be included on the Joint Outfall budget (i.e, industrial waste revenue and sewer system O&M and capital expenses).

(2) Interest revenue in the FY21-22 budget included revenues from designated funds. For FY22-23, interest revenue displayed is only generated by monies in the operating fund.

**County Sanitation District No. 22 of Los Angeles County
Reserve Funds Proposed Budget (\$000)
Fiscal Year 2022-23**

	Unrestricted	Designated			Restricted	Total
	Operating Fund	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Capital Improvement	
Starting Reserve Balance	\$ 14,255	879	19,283	24,795	7,189	66,400
Operating Revenue	22,300	-	-	-	-	22,300
Non-Operating Revenue	5,453	4	35	-	-	5,492
Transfers In	7,946	-	-	-	-	7,946
Operations and Maintenance Expense	19,324	-	-	-	-	19,324
Capital Expense	8,500	-	-	-	-	8,500
Transfers Out ⁽¹⁾	-	883	19,318	24,795	7,189	52,185
Ending Balance	22,129	-	-	-	-	22,129

(1) Transfers Out generally represent transfers to fund Joint Outfall Reserves pursuant to the Joint Outfall Agreement effective July 1, 2022.

**County Sanitation District No. 22 of Los Angeles County
Wastewater Budget Rate and Other Information Summary
Fiscal Year 2022-23**

	Adopted 2021-22	Proposed 2022-23
<u>Service Charge Rate</u>	174.00	177.00
 <u>Industrial Waste (Surcharge) Rates</u>		
Flow (\$ per MGY)	923.00	811.00
COD (\$ per 1000 lbs)	163.00	162.40
SS (\$ per 1000 lbs)	461.10	388.10
Peak Flow (\$ per gpm)	122.10	111.00
 <u>Projected Sewage Units</u>		
Residential/Commercial	123,118	125,895
Industrial Waste	1,867	-
Contract In	106	83
Total Served Sewage Units	125,091	125,978

**Joint Outfall System
Preliminary Operating Fund Budget (\$000)
Fiscal Year 2022-23**

	Adopted 2021-22	Proposed 2022-23 ⁽¹⁾
<u>Starting Balance</u>	\$ 34,590	\$ 16,693
<u>Sources of Funds</u>		
Industrial Waste Charges	\$ 13,609	\$ 73,486
Operating Payments by Districts	194,695	260,060
Contract Revenue	4,746	3,651
Agricultural and Recycled Water Sales	7,970	9,767
Total Operating Revenue	221,020	346,965
Interest ⁽²⁾	-	828
Total Non-Operating Revenue	-	828
Grants	1,337	-
Loan Proceeds	58,593	64,000
Capital Payments by Districts	-	114,712
Loan Payments by Districts	27,027	-
Total Capital Revenue	86,957	178,712
Transfers from Designated Funds	-	109,295
Transfers from Restricted Funds	187,945	234,303
Transfers From Districts	-	148,933
Total Transfers In	187,945	492,531
Total Sources of Funds	\$ 495,922	\$ 1,019,036
<u>Use of Funds</u>		
Joint Administration Operations	-	\$ 102,781
Sewer System Operations ⁽¹⁾	33,640	48,373
Treatment Plant Operations	170,583	174,694
Composting Facility Operations	8,800	7,118
Contract Disposal Operations	-	1,514
Other Operational Expenditures	7,997	11,914
Operations and Maintenance Expense	221,020	346,396
Joint Administration Capital	-	7,155
Pumping Plant Capital	-	12,090
Sewer System Capital	13,729	78,503
Treatment Plant Capital	227,253	198,843
Composting Facility Capital	1,310	1,310
Field Office Capital	5,582	750
Contract Disposal Capital	-	642
Capital Expense ⁽¹⁾	247,874	299,293
Loan Repayment	27,027	-
Bond Repayment	-	9,781
Debt Service	27,027	9,781
Total Use of Funds	\$ 495,922	\$ 655,470
<u>Ending Balance</u>	\$ 34,590	\$ 380,259

(1) As a result of the Joint Outfall Consolidation effective July 1, 2022, some budget items previously shown on individual District budgets will now be included on the Joint Outfall budget (i.e., industrial waste revenue and sewer system O&M and capital expenses)

(2) Interest revenue was not included in the FY21-22 budget.

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

Project	Description	2022-23 Budget	Expected Completion	Total Budget (1)
Sewer Repair and Rehabilitation Projects	Rehabilitation of corroded sewer	\$ 78,503	Various	N/A
Pumping Plant Projects	Pumping plant improvements at various locations	12,090	Various	N/A
Joint Outfall Conveyance System		\$ 90,593		
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	\$ 100,200	2026-27	804,000
Secondary Treatment Projects	Capital expenses related to repairs and general improvements to the Secondary Treatment Systems at various facilities	12,800	2024-25	55,150
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	19,620	2024-25	43,380
Contingency for Treatment Plant Projects	Contingency funding for unplanned capital projects at the various treatment plants	3,806	Various	N/A
Treatment Plant Concrete Protection Projects	Replacement of protective liners at the various treatment plants that have been subjected to significant corrosion	13,740	2024-25	72,500
Solids Handling Projects	Capital expenses related to repairs and general improvements to the Solids Handling Systems at various facilities	7,000	2024-25	40,500
Primary Treatment Projects	Capital expenses related to repairs and general improvements to the Primary Treatment Systems at various facilities	8,385	2025-26	49,200
MWD Advanced Water Treatment Projects	Remediation of contaminated soil on undeveloped land slated for future AWTF project being pursued with MWD and project planning	8,515	2025-26	87,400
Treatment Plant Security Improvements	Improvements to security at various treatment plants	3,295	2023-24	6,020
Process Air Compressor Replacement	Replacement of outdated PACs to improve efficiency and reduce energy costs at various facilities	13,445	2025-26	47,900
Laboratory Improvements	Improvements to various Laboratory facilities	4,053	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	950	2022-23	2,600
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	1,680	2022-23	8,300
Filtration Projects	Capital expenses related to repairs and general improvements to the Filter Systems at various facilities	1,355	2022-23	1,400
Treatment Plants		\$ 198,843		
Tulare Lake Compost 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	750	2025-26	70,000
Field Offices		\$ 750		
Contract Disposal Capital	Capital expenses for disposal contracts	642	Various	N/A
Contract Disposal		\$ 642		
Total Capital Projects		\$ 292,138		

**Joint Outfall System
Reserve Funds Proposed Budget (\$000)
Fiscal Year 2022-23**

	Unrestricted	Designated			Restricted		Total
	Operating Fund	Emergency	O&M Financial Stability	Capital Projects Financial Stability	Capital Improvement	Closure / Postclosure Reserves	
Starting Reserve Balance	\$ 16,693	-	-	-	214,248	411	231,353
Operating Revenue	346,965	-	-	-	-	-	346,965
Non-Operating Revenue	828	50	989	648	1,561	2	4,079
Capital Revenue	178,712	-	-	-	5,972	-	184,684
Transfers In	492,531	12,434	197,857	129,584	97,903	-	930,308
Operations and Maintenance Expense	346,396	-	-	-	-	-	346,396
Capital Expense	299,293	-	-	-	-	-	299,293
Debt Service	9,781	-	-	-	-	-	9,781
Transfers Out	-	-	8,548	103,103	234,303	-	345,954
Ending Balance	380,259	12,484	190,298	27,129	85,381	413	695,964

Sanitation Districts of Los Angeles County
Wastewater Budget Explanation and Glossary of Terms
Fiscal Year 2022-23

Introduction

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

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

Terms used in the Budget

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

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

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

Loan Repayment	Interest and principal payments toward loans, primarily State Revolving Fund Clean Water Loans.
Bond Repayment	Interest and principal payments toward bond debt.
Transfers to Designated Reserves	Surplus funds at the end of the fiscal year not required for operating or cash-flow purposes that are transferred to designated reserves. Designated reserves are primarily used to help stabilize future rates and to set aside funds for future capital projects.
Operating Fund Ending Balance	Projected balance in the Operating Fund as of June 30 at the end of the fiscal year shown.
Total Served Sewage Units	Total number of Sewage Units (single family home equivalent dischargers) that are served by treatment plants owned by the Sanitation Districts.

**AN ORDINANCE PRESCRIBING THE SERVICE CHARGE RATE
AND MEAN LOADINGS PER UNIT OF USAGE FOR
COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES COUNTY,
AND PROVIDING FOR THE COLLECTION OF SUCH
CHARGES ON THE TAX ROLL**

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES COUNTY ORDAINS AS FOLLOWS:

SECTION 1.0 - USER CATEGORIES AND MEAN LOADINGS

Pursuant to Section 3.04(1) of the *Master Service Charge Ordinance of County Sanitation District No. 22 of Los Angeles County*, the following shall constitute the user categories and mean loadings per unit of usage for flow, chemical oxygen demand (COD), and suspended solids:

<u>DESCRIPTION</u>	<u>UNIT OF MEASURE</u>	<u>FLOW (Gallons per Day)</u>	<u>COD (Pounds per Day)</u>	<u>SUSPENDED SOLIDS (Pounds per Day)</u>
RESIDENTIAL				
Single Family Home	Dwelling Unit	260	1.22	0.59
Condominiums	Dwelling Unit	195	0.92	0.44
Multi-Unit Residential	Dwelling Unit	156	0.73	0.35
Mobile Home Parks	No. of Spaces	156	0.73	0.35
COMMERCIAL				
Hotel/Motel/Rooming House	Room	125	0.54	0.28
Store	1000 ft ²	100	0.43	0.23
Supermarket	1000 ft ²	150	2.00	1.00
Shopping Center	1000 ft ²	325	3.00	1.17
Regional Mall	1000 ft ²	150	2.10	0.77
Office Building	1000 ft ²	200	0.86	0.45
Medical, Dental, Veterinary Clinic or Building	1000 ft ²	300	1.29	0.68
Restaurant	1000 ft ²	1,000	16.68	5.00
Indoor Theatre	1000 ft ²	125	0.54	0.28
Car Wash				
Tunnel - No Recycling	1000 ft ²	3,700	15.86	8.33
Tunnel - Recycling	1000 ft ²	2,700	11.74	6.16
Wand	1000 ft ²	700	3.00	1.58
Bank, Credit Union	1000 ft ²	100	0.43	0.23
Service Shop, Vehicle Maintenance & Repair Shop	1000 ft ²	100	0.43	0.23
Animal Kennels	1000 ft ²	100	0.43	0.23
Gas Station	1000 ft ²	100	0.43	0.23
Auto Sales	1000 ft ²	100	0.43	0.23
Wholesale Outlet	1000 ft ²	100	0.43	0.23
Nursery/Greenhouse	1000 ft ²	25	0.11	0.06

<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				
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
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

SECTION 2.0 - COST ALLOCATION FACTORS

Pursuant to Section 3.04(3) of the *Master Service Charge Ordinance of County Sanitation District No. 22 of Los Angeles County*, the proportions of the total operation and maintenance and net capital costs required for conveyance, treatment, and disposal of wastewater for the fiscal year which are attributable to flow, COD, and suspended solids, designated as A, B, and C, respectively, shall be:

<u>A</u>	<u>B</u>	<u>C</u>
0.3049	0.3348	0.3603

SECTION 3.0 - SERVICE CHARGE RATE

Pursuant to Section 3.03(1) of the *Master Service Charge Ordinance of County Sanitation District No. 22 of Los Angeles County*, the following, to be effective on the dates given, shall constitute the annual Service Charge Rate per sewage unit:

<u>July 1, 2022</u>	<u>July 1, 2023</u>	<u>July 1, 2024</u>	<u>July 1, 2025</u>
\$177	\$180	\$183	\$186

SECTION 4.0 - COLLECTION ON THE TAX ROLL

Pursuant to Section 5473 of the California Health and Safety Code, the District elects to have the service charge imposed pursuant to Sections 3.01 through 3.08 of the *Master Service Charge Ordinance of County Sanitation District No. 22 of Los Angeles County* collected on the tax roll in the same manner, by the same persons, and at the same time as, together with and not separately from, the ad valorem taxes collected by the County of Los Angeles.

SECTION 5.0 - VALIDITY

If any part, section, subsection, paragraph, sentence, clause, or phrase of this Ordinance is held invalid or unconstitutional for any reason by any court, that decision does not affect the validity or constitutionality of the remainder of this Ordinance. The Board of Directors declares that it would have adopted each provision of this Ordinance irrespective of the validity of any other provision.

SECTION 6.0 - EFFECTIVE DATE

This Ordinance shall become effective July 1, 2022.

ATTEST:

Clerk, Board of Directors
County Sanitation District No. 22
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 22
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 22 of Los Angeles County on _____ by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary of the Board of Directors
County Sanitation District No. 22
of Los Angeles County

**AN ORDINANCE PRESCRIBING INDUSTRIAL WASTEWATER
SURCHARGE RATES FOR COUNTY SANITATION
DISTRICT NO. 22 OF LOS ANGELES COUNTY**

THE BOARD OF DIRECTORS OF COUNTY SANITATION DISTRICT NO. 22 OF LOS ANGELES COUNTY ORDAINS AS FOLLOWS:

SECTION 1.0 – INDUSTRIAL WASTEWATER SURCHARGE RATES

(a) Pursuant to Section 410 of the *Wastewater Ordinance*, adopted by County Sanitation District No. 22 of Los Angeles County, the following, to be effective on the dates given, shall constitute the annual Industrial Wastewater Surcharge Rates:

<u>PARAMETER</u>	<u>July 1, 2022</u>	<u>July 1, 2023</u>	<u>July 1, 2024</u>	<u>July 1, 2025</u>
Flow (a) [per MG]	\$811.00	\$839.00	\$865.00	\$891.00
COD (b) [per 10 ³ lbs]	\$162.40	\$167.80	\$173.00	\$178.20
SS (c) [per 10 ³ lbs]	\$388.10	\$401.30	\$413.90	\$426.20
Peak (d) [per gpm]	\$111.00	\$114.80	\$118.40	\$121.90
Short Form Rate [per MG]	\$3,588.33	\$3,709.51	\$3,824.92	\$3,939.50

(b) To further the use of the Districts’ reclaimed water, a credit, as determined by the Chief Engineer, will be applied to an industry’s wastewater surcharge obligation for the chemical oxygen demand present in reclaimed water utilized by an industrial discharger and which originated at a Districts’ water reclamation plant.

SECTION 2.0 - EFFECTIVE DATE

This Ordinance shall become effective July 1, 2022.

ATTEST:

Clerk, Board of Directors
County Sanitation District No. 22
of Los Angeles County

Chairperson, Board of Directors
County Sanitation District No. 22
of Los Angeles County

PASSED AND ADOPTED by the Board of Directors of County Sanitation District No. 22 of Los Angeles County on _____ by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Secretary of the Board of Directors
County Sanitation District No. 22
of Los Angeles County